

DEPARTMENT OF THE ARMY

COMPLETE STATEMENT

OF

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ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

AND

LIEUTENANT GENERAL THOMAS BOSTICK  
CHIEF OF ENGINEERS

BEFORE

THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

UNITED STATES HOUSE OF REPRESENTATIVES

ON

A REVIEW OF THE U.S. ARMY CORPS OF ENGINEERS REPORTS TO  
CONGRESS ON FUTURE WATER RESOURCES DEVELOPMENT AND  
CHIEF'S REPORTS

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Mr. Chairman and distinguished members of the Subcommittee, we are honored to be testifying before you today to discuss the 2016 Report to Congress on Future Water Resources Development (Annual Report) submitted in response to section 7001 of the Water Resources Reform and Development Act (WRRDA) of 2014, Reports of the Chief of Engineers (Chief's Reports), and Post Authorization Change Reports (PACRs). Our testimony will briefly describe the 13 Chief's Reports that have completed Executive Branch review since WRRDA 2014, one of which completed Executive Branch review subsequent to submission of the Annual Report on February 1, 2016. These proposed projects fall within the main mission areas of the Corps (commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration). There are nine other projects that have reports by the Chief of Engineers but are still under Executive Branch review as well as one Chief's Report for a project disposition. Also, there are two pending PACRs under Executive Branch review.

Before I discuss the Chief's Reports for specific projects that are included in the Annual Report, I would like to briefly discuss the process by which the Annual Report is developed and the requirements and criteria a project must meet for inclusion in the report.

Section 7001 of WRRDA 2014 requires an annual notice to be published in the Federal Register requesting proposals by non-Federal interests for proposed feasibility studies and proposed modifications to authorized water resources development projects and feasibility studies. Section 7001 then requires that the Secretary of the Army annually submit to Congress a report that includes only those feasibility reports, proposed feasibility studies, and proposed modifications to authorized water resources development projects and feasibility studies that satisfy five specific criteria.

The notice for the 2016 report submission was published on May 26, 2015. The deadline for non-Federal interests to submit proposals to the Corps was September 23, 2015. In order to provide more transparency to non-Federal interests we sought to clarify, in the notice, the process and the five criteria under which proposals would be evaluated in developing the 2016 Annual Report:

#### **Criteria 1. Related to the missions and authorities of the Corps**

For the purposes of the report, proposals are generally considered related to the missions and authorities of the Corps when they involve a proposed or existing Corps water resources project or effort where the primary purpose involves flood and storm damage reduction, commercial navigation, or aquatic ecosystem restoration. Proposals for related purposes, such as recreation, hydropower, or water supply, are eligible if undertaken in conjunction with a project or effort involving one or more of those primary purposes.

## **Criteria 2. Require specific congressional authorization, including by an Act of Congress**

Proposals are considered to require congressional authorization in the following cases:

- Proposals Seeking Construction Authorization
  - Signed Chief's Reports or non-Federal feasibility reports submitted to the Secretary of the Army for review under Section 203 of WRDA 1986, as amended,
  - Signed Chief's Report or completed non-Federal feasibility reports not yet submitted to the Secretary of the Army for review under Section 203 of WRDA 1986, as amended,
  - Ongoing feasibility studies that have reached the Tentatively Selected Plan milestone and are expected to result in a Chief's Report or on-going non-Federal feasibility studies that have not yet been submitted to the Secretary of the Army for review under Section 203 of WRDA 1986, as amended, and
  - Proposed modifications to authorized water resources development projects requested by non-Federal interests through the WRRDA 2014 Section 7001 process.
- Proposals Seeking Study Authorization
  - New feasibility studies proposed by non-Federal interests through the WRRDA 2014 Section 7001 process will be evaluated by the Corps to determine whether or not there is existing study authority, and
  - Proposed modifications to studies requested by non-Federal interests through the WRRDA 2014 Section 7001 process.

As stated in the May 26, 2015, Federal Register Notice, the following types of proposals are not considered eligible to be included in the Annual Report, although they will be included in the appendix for transparency:

- Proposals for modifications to non-Federal activities where the Corps has provided previous assistance. Authorization to provide assistance does not provide authorization of a water resources development project.
- Proposals for construction of a new water resources development project (projects unrelated to currently authorized water resource development projects) that is not the subject of a complete or ongoing, feasibility study.

## **Criteria 3. Have not been congressionally authorized**

## **Criteria 4. Have not been included in the report table of any previous Annual Report**

Proposals included in the report table in a previous Report to Congress on Future Water Resources Development are not eligible to be included in the table included in this report. Proposals previously included in an appendix may be re-submitted for consideration for inclusion in subsequent reports.

## **Criteria 5. If authorized, could be carried out by the Corps**

Whether following the traditional Corps Chief's Report process, or Section 7001 of WRRDA 2014, a proposal for a project or a project modification would need a current decision document to provide updated information on the scope of the potential project and demonstrate a clear Federal interest. This determination would include an assessment of whether the proposal is:

- Technically sound, economically viable and environmentally acceptable.
- Compliant with environmental and other laws including but not limited to National Environmental Policy Act, Endangered Species Act, Coastal Zone Management Act, and the National Historic Preservation Act.
- Compliant with statutes related to Water Resources Development including but not limited to the various water resources provisions pertaining to the authorized cost of projects, level of detail, separable elements, fish and wildlife mitigation, project justification, matters to be addressed in planning, and the 1958 Water Supply Act.

There are requirements that all water resources development projects must generally meet before the Corps can request Federal funds to proceed to construction. These requirements include: (1) that the project is authorized for construction by Congress; (2) that the Secretary, or other appropriate official, has approved a current decision document with the Administration's position on the project and, if appropriate, has transmitted that report to Congress; and (3) that funds for construction have been appropriated for the project. The second of these requirements is important – and relevant to the section 7001 proposals – because a current decision document is the basis for Administration support for budgeting decisions for projects. While under the traditional authorization process, the Chief's Report serves as the decision document that is referred to in the project authorization, the Chief's Report is subject to further review within the Executive Branch. Most, but not all, projects with a Chief's Report are ultimately supported by the Executive Branch for authorization. Similarly, if the Congress were to authorize construction of a project prior to the completion of the executive Branch review process, based on a proposal submitted under Section 7001, that project would lack a basis for Administration support for implementation. Clearly identifying these requirements allows for a more transparent process should any of the non-Federal proposals become authorized based on this annual report.

The Federal Register notice noted two other important considerations for non-Federal sponsors preparing proposals. First, if Congressional authorization of a new feasibility study results from inclusion in this report, it is anticipated that such authorization would be for the study only and not for construction. Second, a PACR is required to be completed to support potential project modifications and increases to the maximum cost of a project established by section 902 of WRDA 1986, as amended (902 limit). Generally, PACRs are used where a change in the project's authorization is needed due to a significant change in the cost or scope of work. For example, PACR's to evaluate

raising a project's 902 limit are undertaken because the project requires a further authorization and, therefore, were included in the report.

A total of 61 proposals were received, 25 of these were proposals for new feasibility studies, 34 were proposals for modifications to existing projects or changes to legislation, and two were proposals for a study modification. Of these proposals, 30 met the criteria and are listed in the Annual Report Table. The remaining 31 proposals that did not meet the criteria are in the Appendix. The two primary reasons proposals are included in the Appendix are that either authority already exists to perform the requested work, or the proposal did not fit within the identified Corps core mission areas. Where authority already exists to undertake the efforts described in the proposals, inclusion in the Appendix to the 2016 Annual Report does not preclude the Army from carrying out either the study or construction.

In response to feedback received on the 2015 Annual Report, the Assistant Secretary of the Army for Civil Works improved the evaluation process this year. In addition, the Army undertook a one-time review of the 95 proposals that were submitted for the 2015 Annual Report, but were found at that time to not be eligible for inclusion in the main table of the report. (They therefore appeared in the Appendix that year.) Non-Federal interests resubmitted 21 of these 95 proposals for re-consideration in the 2016 Annual Report. The Army evaluated these 21 proposals as new proposals, and determined that 7 of them were now eligible for inclusion. They appear in the main table of the 2016 Annual Report, and are identified in the "status notes" column as "Proposal submitted for the 2016 Annual Report." Of the remaining 74 proposals listed in the Appendix to the 2015 Report, we determined that 31 of them were eligible for inclusion, including two related to signed Chief's Reports. Those not related to signed Chief's Reports appear in the main table of the 2016 Annual Report, and are identified in the "status notes" column as "Re-evaluation of proposal submitted for the 2015 Annual Report."

All feasibility reports with signed Chief's Reports that have not been authorized or previously included in an annual report are accounted for in this report. The report distinguishes those for which Army review has been completed from those currently under Army review. Since submission of the 2015 Annual Report on January 30, 2015, 13 feasibility reports requiring construction authorization have completed Army review and have been officially transmitted to Congress by the Secretary. I will now provide a brief overview of the 13 proposed projects that have completed Executive Branch review since the passage of WRRDA 2014. The Army has previously provided the results of those reviews along with the following project information to the Congress.

## **Commercial Navigation**

### Brazos Island Harbor, Brownsville, Texas

On February 23, 2016, a report was transmitted to Congress on navigation improvements within the Brazos Island Harbor. The plan would increase the nominal depth of the Federal channel to -52 feet mean lower low water (MLLW) for portions of the inner channel and -54 feet MLLW for the entrance channel.

Based upon the October 2015 price levels, the total initial project cost for this project is \$207.5 million with the Federal share totaling \$117.7 million and the non-Federal share totaling \$89.8 million.

#### Calcasieu Lock, Louisiana

On August 20, 2015, a report was transmitted to Congress on navigation improvements in the vicinity of Lake Charles, Louisiana. The plan consists of a sluice gate structure and dredging a new bypass channel to a depth of 12-feet MLLW. The channel transitions to a depth of 6-feet MLLW at the structure.

Based upon the October 2015 price levels, the total initial project cost for this project is \$16.9 million. This cost would be shared equally between the Federal government and the Inland Waterways Trust Fund.

#### Charleston Harbor, Charleston, South Carolina

On January 13, 2016, a report was transmitted to Congress on navigation improvements within Charleston Harbor. The locally preferred plan that is being recommended will deepen the entrance channel to 54-feet across the 800-foot width, while reducing the existing stepped 1,000-foot top channel width to 944-feet. The entrance channel will be extended approximately three miles seaward from the existing location to a depth contour of -54-foot MLLW; deepen the inner harbor from an existing project depth of -45 feet to -52 feet MLLW from the Entrance Channel to the confluence of the Wando and Cooper Rivers, about two miles up the Wando River to the Wando Welch container facility and about three miles up to the Cooper River to the New Navy Base Terminal, and to a project depth of -48 feet MLLW over the five mile reach leading from the New Navy Base Terminal to the North Charleston container facility (over expanded bottom widths from 400 to 1,800 feet); and enlarge the existing turning basins to a 1,800-foot diameter at the Wando Welch and New Navy Base terminals to accommodate Post Panamax Generation 2 and 3 container ships and widen selected reaches

Based upon the October 2015 price levels, the total initial project cost for this project is \$496 million with the Federal share totaling \$228.2 million and the non-Federal share totaling \$267.8 million.

#### Port Everglades, Broward County, Florida

On January 29, 2016, a report was transmitted to Congress on navigation improvements for Port Everglades in Broward County, Florida. The locally preferred

plan that is being recommended would increase the nominal depth of the Federal channel to -48 feet MLLW, widen the outer entrance channel to a width of 800-feet, and widen the Southport Access Channel, the main turning basin and the Turning Notch.

Based upon the October 2015 price levels, the total initial project cost for this project is \$329 million with the Federal share totaling \$224.5 million and the non-Federal share totaling \$104.5 million.

#### Portsmouth Harbor and Piscataqua River, New Hampshire and Maine

On June 18, 2015, a report was transmitted to Congress on navigation improvements for Portsmouth Harbor, and Piscataqua River in New Hampshire and Maine. The plan would increase the width of the turning basin from 800-feet to 1,200-feet.

Based upon the October 2015 price levels, the total initial project cost for this project is \$22 million with the Federal share totaling \$16.5 million and the non-Federal share totaling \$5.5 million.

### **Flood and Storm Damage Reduction**

#### Bogue Banks, Carteret County, North Carolina

On February 16, 2016, a report was transmitted to Congress on hurricane and storm damage reduction along the Atlantic Ocean shoreline Bogue Banks, Carteret County, North Carolina. The plan consists of constructing 22.7 miles of main beach fill berm, approximately 50-feet wide, with a consistent profile across the entire length, along with dune expansion of approximately 5.9 miles of the project shoreline. The amount of dune expansion would vary from elevation 15 to 20 feet.

Based upon the October 2015 price levels, the total initial project cost for this project is \$38.7 million with the Federal share totaling \$25.1 million and the non-Federal share totaling \$13.6 million. The total cost over the 50-year project life, including periodic nourishment, is \$118.8 million, with a Federal share of \$59.4 million and non-Federal share of \$59.4 million.

#### Edisto Beach, Colleton County, South Carolina

On February 16, 2016, a report was transmitted to Congress on hurricane and storm damage reduction along the Atlantic Ocean shoreline of Edisto Beach, South Carolina. The plan consists of constructing a dune to an elevation of 15-feet with a top width of 15-feet extending 16,530 feet along the beach. This dune would be fronted by a berm at an elevation of 7-feet and 75-feet wide, extending south 7,740 feet from the northern extent of the project area and then tapering to 50-feet in width over the remaining length and taper to the existing profile. The dune would transition to 14-feet in elevation and

extend around the southern end of the island for 5,290 feet. There would also be constructed 1,130 feet of total groin lengthening across 23 existing groins.

Based upon the October 2015 price levels, the total initial project cost for this project is \$21.9 million with the Federal share totaling \$14.2 million and the non-Federal share totaling \$7.7 million. The total cost over the 50-year project life, including periodic nourishment, is \$34.5 million, with a Federal share of \$17.3 million and non-Federal share of \$17.3 million.

#### Flagler County, Florida

On February 16, 2016, a report was transmitted to Congress on hurricane and storm damage reduction along the Atlantic Ocean shoreline of Flagler County, Florida. The plan would include construction of the dune along 2.6 miles of shoreline to an elevation 19 feet to match the elevation of the existing dune. From the seaward end of the dune extension, a 1 vertical on 3 horizontal dune slope would extend to the design berm elevation of 11 feet to match the existing berm elevation.

Based upon the October 2015 price levels, the total initial project cost for this project is \$14.5 million with the Federal share totaling \$9.4 million and the non-Federal share totaling \$5.1 million. The total cost over the 50-year project life, including periodic nourishment, is \$31.2 million, with a Federal share of \$15.6 million and non-Federal share of \$15.6 million.

#### Hereford Inlet to Cape May Inlet, New Jersey

On February 1, 2016, a report was transmitted to Congress on hurricane and storm damage reduction along the Atlantic Ocean shoreline from Hereford Inlet to Cape May Inlet, New Jersey. The plan would include construction of the dune along 4.5 miles of shoreline to an elevation of 16 feet with a 25-foot wide dune crest on a 75-foot wide berm that at an elevation of 6.5 feet.

Based upon the October 2015 price levels, the total initial project cost for this project is \$22.3 million with the Federal share totaling \$14.5 million and the non-Federal share totaling \$7.8 million. The total cost over the 50-year project life, including periodic nourishment, is \$85.3 million, with a Federal share of \$42.6 million and non-Federal share of \$42.6 million.

#### Leon Creek Watershed, San Antonio, Texas

On January 15, 2016, a report was transmitted to Congress on flood risk management for the Leon Creek Watershed, San Antonio, Texas. The plan consists of a levee extending 3,700 linear feet from high ground on the southeast side of Port San Antonio to S.W. Military Drive at a maximum height of 21-feet and a 12-foot top width with 3.5-foot on 1-foot slopes, in channel modification that extend approximately 2,850 linear feet with a 60-foot bottom width, and permanent evacuation of four single family residential



structures and 32 townhouses susceptible to damage by a flood with a 4-percent annual exceedance probability.

Based upon the October 2015 price levels, the total initial project cost for this project is \$29.1 million with the Federal share totaling \$18.9 million and the non-Federal share totaling \$10.2 million.

### Manhattan, Kansas

On December 3, 2015, a report was transmitted to Congress on flood risk management for the City of Manhattan, Kansas. The plan consists of modifying the existing project by raising 14,600 feet of levee on the Big Blue River and Kansas River on average 1.5 – feet but by as much as 3-feet, adding under seepage control measures including 29 relief wells with over 4,900 feet of collector system, 2,500 linear feet of under seepage control berms, replacing five existing drainage structures, adding a closure structure at Hayes Drive and relocating various utility crossings.

Based upon the October 2015 price levels, the total initial project cost for this project is \$24.3 million with the Federal share totaling \$15.8 million and the non-Federal share totaling \$8.5 million.

### **Aquatic Ecosystem Restoration**

#### Central Everglades Planning Project, Comprehensive Everglades Restoration Plan, Central and Southern Florida

On September 3, 2015, a report was transmitted to Congress on ecosystem restoration improvements for the Central Everglades Project located in Martin, Lee, Palm Beach, Broward, Miami Dade and Monroe Counties, Florida. The purpose of the Central Everglades Planning Project is to improve the quantity, quality, timing and distribution of water flows to the Northern Estuaries, central Everglades and Everglades National Park, and Florida Bay while increasing water supply for municipal, industrial and agricultural users. The Central Everglades Planning Project developed from six components (or portions thereof) of the Comprehensive Everglades Restoration Plan: Everglades Agricultural AREA Storage Reservoirs; Water Conservation Area 3 Decompartmentalization and Sheetflow Enhancement; S-356 Pump Station Modifications; L-31 N Improvements for Seepage Management; System-wide Operational Changes – Everglades Rain-Driven Operations; and Flow to Northwest and Central Water Conservation Area 3A.

Based upon the October 2015 price levels, the total initial project cost for this project is \$1,958,164,000 with the Federal share totaling \$979,865,266 and the non-Federal share totaling \$978,298,734.

## **Flood and Storm Damage Reduction and Aquatic Ecosystem Restoration**

### Upper Des Plaines River & Tributaries, Illinois and Wisconsin

On January 29, 2016, a report was transmitted to Congress on flood risk management and ecosystem restoration for the Upper Des Plaines Watershed in Illinois and Wisconsin. The project would include the construction of a system of three levee/floodwalls and two floodwater storage reservoirs near or adjacent to the main stem of the Des Plaines River. The flood risk management plan includes recreational features at three sites and implementation of non-structural flood risk management measures at up to 377 structures in nine communities in Lake and Cook County. The ecosystem restoration plan would restore 6,859 acres at seven sites across the watershed.

Based upon the October 2015 price levels, the total initial project cost for this project, as recommended in the Chief's Report, is \$309,098,000 with the Federal share totaling \$200,702,000 and the non-Federal share totaling \$108,396,000.

There are also nine other proposed projects with reports by the Chief of Engineers, which the Executive Branch is in the process of reviewing. These are:

- Skokomish River Basin, Mason County, Washington
- Lower Willamette River, Oregon
- South San Francisco Bay Shoreline, Santa Clara County, California
- Upper Turkey Creek, Merriam, Kansas
- Mill Creek, Nashville, Tennessee
- Kansas Citys, Missouri and Kansas
- Little Diomedede, Alaska
- West Shore Lake Ponchartrain, Louisiana
- Los Angeles River, California

Two additional Chief's Reports were not included in the report table. The first, Orestimba Creek, California, was authorized in WRDDA 2014 and, therefore, does not meet the criteria of requiring authorization. It was transmitted to Congress on January 29, 2016. The second, the Chief's Report for a disposition study for Green River Locks and Dams 3, 4, 5 and 6 and Barren River Lock and Dam 1, Kentucky was signed on April 30, 2015 and remains under Executive Branch review. Because it is a disposition study, it does not meet the requirements for inclusion in this annual report and was not included in the report tables.

Mr. Chairman, I would now like to discuss PACRs. Section 902 of WRDA 1986 sets a maximum percentage cost increase for Civil Works projects. A further authorization is

required to use Federal funds beyond this maximum authorized project cost. In these cases, the Corps of Engineers generally completes a PACR, which is provided to Congress if there is a recommendation for such a further authorization. There are two PACRs that have been approved by the Corps of Engineers and are under Executive Branch review. These reports are:

- Blue River Basin, Kansas City, Missouri
- Turkey Creek Basin, Kansas City, Kansas and Kansas City, Missouri

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