



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
CIVIL WORKS
108 ARMY PENTAGON
WASHINGTON DC 20310-0108

APR 25 2011

Honorable Jacob Lew
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Lew:

In accordance with Executive Order 12322, I am submitting for your review a feasibility report that recommends authorization of a flood risk management project for Cedar River, Cedar Rapids, Iowa. The enclosed draft letters to the Speaker of the House of Representatives and the President of the Senate express the views and recommendations of the Secretary of the Army.

The proposed project is described in the Report of the Chief of Engineers dated January 27, 2011. A copy of the report and other supporting data are enclosed. The report was prepared in final response to a House Resolution adopted April 5, 2006, by the Committee on Transportation and Infrastructure, and Senate Resolution adopted May 23, 2006, by the Committee on Environment and Public Works.

Please advise this office whether the recommendation is consistent with Administration policy.

Very truly yours,


Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

13 Enclosures
(See page 2 for
list of encls)

CECW-PC

13 Enclosures

1. Proposed draft ltr to House
2. Proposed draft ltr to Senate
3. Cy, State of IA ltr to USACE, Jan 05, 11
4. Cy, Dept of the Interior ltr to USACE, Dec 20, 10
5. Cy, FAA ltr to USACE, Dec 21, 10
6. Cy, EPA ltr to USACE, Dec 22, 10
7. Sponsor Letter of Support
8. Chief's Rpt, Jan 27, 11
9. HQUSACE Project Summary
10. HQUSACE Documentation of Review Findings, Jan 11
11. OASA(CW) Data Summary
12. Project slides
13. Feasibility Report and Environmental Assessment



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Honorable John Boehner
Speaker of the House
of Representatives
U.S. Capitol Building, Room H-232
Washington, D.C. 20515-0001

DRAFT

Dear Mr. Speaker:

In final response to a House Resolution adopted April 5, 2006, by the Committee on Transportation and Infrastructure, and Senate Resolution adopted May 23, 2006, by the Committee on Environment and Public Works, the Secretary of the Army recommends authorization of the Cedar River, Cedar Rapids, Iowa flood risk reduction project. The proposal is described in the Report of the Chief of Engineers dated January 27, 2011, which includes other pertinent reports and comments. The views of the State of Iowa, the Department of the Interior, the Department of Transportation Federal Aviation Administration, and the Environmental Protection Agency are set forth in the enclosed communications. The Secretary of the Army plans to implement the project at the appropriate time, considering National priorities and the availability of funds.

The recommended plan would provide flood risk reduction along the east bank of the Cedar River in the City of Cedar Rapids. The recommended plan consists of 2.2 miles of floodwall and 0.8 miles of earthen levee with a height of approximately 14 feet, 15 closure structures, and six pumping stations constructed on the east bank of the Cedar River. The project does not require any separable mitigation as the project has been designed to offset any adverse impacts which occur.

Based on October 2010 price levels, the estimated total first cost of the recommended plan is \$99,000,000. In accordance with the cost sharing provisions of the Section 103 of the Water Resources Development Act of 1986 (WRDA 1986), as amended by Section 202 of WRDA 1996, the Federal share of the total project cost is estimated at \$64,350,000 (65 percent) and the non-Federal share is estimated at \$34,650,000 (35 percent). The cost of lands, easements, rights-of-way, relocations, and excavated material disposal areas is estimated at \$11,700,000. The City of Cedar Rapids, Iowa is the non-Federal cost sharing sponsor for the recommended plan. The city of Cedar Rapids would be responsible for the operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) of the project after construction, a cost currently estimated at \$18,000 per year. In addition to the above, the City of Cedar Rapids, Iowa, would be fully responsible for performing the investigation, cleanup and response to the presence of hazardous materials on the project site. The cost of hazardous material work is estimated at approximately \$4,000,000 and is a non-Federal responsibility. Based on a 4.125-percent discount rate and a 50-year period of analysis,

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the total equivalent average annual costs of the project, including OMRR&R, are estimated to be \$5,125,000. The equivalent average annual benefits are estimated to be \$6,144,000 with net average annual benefits of \$1,019,000. The benefit-cost ratio is approximately 1.2 to 1.

The Office of Management and Budget advises that there is no objection to the submission of the report to the Congress. The Administration will give the project a (insert OMB budgetary position), based on the most current performance based budgetary guidelines and the benefits and costs of the proposed project. A copy of its letter is enclosed. I am providing a copy of this transmittal and the OMB letter dated (insert OMB letter date) to the House Committee on Appropriations' Subcommittee on Energy and Water Development, and the House Committee on Transportation and Infrastructure's Subcommittee on Water Resources and Environment. I am providing an identical letter to the President of the Senate.

Very truly yours,

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Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

Enclosure



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Honorable Joseph R. Biden, Jr.
President of the Senate
U.S. Capitol Building, Room S-212
Washington, D.C. 20510-0012

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Dear Mr. President:

In final response to a House Resolution adopted April 5, 2006, by the Committee on Transportation and Infrastructure, and Senate Resolution adopted May 23, 2006, by the Committee on Environment and Public Works, the Secretary of the Army recommends authorization of the Cedar River, Cedar Rapids, Iowa flood risk reduction project. The proposal is described in the Report of the Chief of Engineers dated January 27, 2011, which includes other pertinent reports and comments. The views of the State of Iowa, the Department of the Interior, the Department of Transportation Federal Aviation Administration, and the Environmental Protection Agency are set forth in the enclosed communications. The Secretary of the Army plans to implement the project at the appropriate time, considering National priorities and the availability of funds.

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estimated to be \$5,125,000. The equivalent average annual benefits are estimated to be \$6,144,000 with net average annual benefits of \$1,019,000. The benefit-cost ratio is approximately 1.2 to 1.

The Office of Management and Budget advises that there is no objection to the submission of the report to the Congress. The Administration will give the project a (insert OMB budgetary position), based on the most current performance based budgetary guidelines and the benefits and costs of the proposed project. A copy of its letter is enclosed. I am providing a copy of this transmittal and the OMB letter dated (insert OMB letter date) to the Senate Committee on Appropriations' Subcommittee on Energy and Water Development, and the Senate Committee on Environment and Public Work's Subcommittee on Transportation and Infrastructure. I am providing an identical letter to the Speaker of the House of Representatives.

Very truly yours,

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Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

Enclosure