



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

JAN 15 2009

Honorable Richard Cheney  
President of the Senate  
U.S. Capitol Building, Room S-212  
United States Senate  
Washington, D.C. 20510-0012

Dear Mr. President:

House Resolution 2425, dated March 17, 1994, requested the Secretary of the Army to review reports of the Chief of Engineers on the State of Arizona in the interest of flood damage reduction, environmental restoration, and related purposes. As a result of this review, a study has been completed which recommends authorization of an ecosystem restoration and recreation project for an eight-mile reach of the Salt River, between 19<sup>th</sup> Avenue and 83<sup>rd</sup> Avenue in Phoenix, Arizona. The proposal is described in the report of the Chief of Engineers dated December 19, 2006, which includes other pertinent reports and documents. The views of other interested agencies are set forth in the enclosed report. The project for environmental restoration for the Salt River (Rio Salado Oeste), Maricopa County, Arizona, was authorized in Section 1001(5) of the Water Resources Development Act of 2007.

The proposed plan includes grading and terracing eight miles of river channel, regrading material in the vicinity of existing gravel pit lakes, constructing a grade control structure at 35<sup>th</sup> Avenue, modifying eight storm water outfalls, re-establishment of native plants, and a water distribution system to support vegetation. The plan recommended by the Corps of Engineers would restore and improve approximately 1,466 acres of habitat, including 375 acres of cottonwood/willow, 417 acres mesquite, 190 acres of emergent wetlands, and approximately 296 acres of riparian shrub and 52 acres of scrub shrub, as well as 8 miles of restored river channel. This plan would provide for an approximately 50 percent increase in ecosystem function over the expected without project future condition. The recommended plan would restore a significant ecosystem resource along the Pacific Flyway for neo-tropical birds, reconnect wildlife corridors, restore wildlife habitat for species significant to Maricopa County, provide potential habitat for threatened and endangered species, and restore cottonwood/willow riparian forest and mesquite bosque plant communities. Recreation features include multi-use non-motorized trails, pedestrian bridges, parking lots, comfort stations, and interpretive signs.

Based on October 2008 prices, the total first cost of the project is estimated at \$184,000,000 with the ecosystem restoration portion estimated at \$171,500,000 and the separable recreation features estimated at \$12,500,000. In accordance with WRDA 1986, as amended, the cost sharing for ecosystem restoration would be 65 percent Federal and 35 percent non-Federal, and the separable recreation features would be cost shared 50 percent Federal and 50 percent non-Federal. Thus, the Federal share for ecosystem restoration would be about \$111,500,000 and the non-Federal share would be about \$60,000,000. The Federal and non-Federal shares for the separable recreation features, which have a benefit cost ratio of 2.0, would be about \$6,250,000 each. The total first cost of the project would be shared at about \$117,750,000 Federal and about \$66,250,000 non-Federal. The costs for all operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) of the project, plus associated supplemental water costs, are estimated at \$4,100,000 annually. The non-Federal sponsor is the City of Phoenix, Arizona."

Should Congress provide funds for this project, the project would be exempt from the requirement to obtain State water quality certification as provided for by Section 404(r) of the Clean Water Act (CWA). Section 404(r) provides that the discharge of dredged or fill material as part of the construction of a specifically authorized Federal project is not subject to the requirement to obtain State water quality certification "if information on the effects of such discharge . . . is included in an environmental impact statement for such project . . . [which] has been submitted to Congress before actual discharge of dredged or fill material in connection with the construction of such project and prior to either authorization of such project or an appropriation of funds for such construction." Operations and maintenance activities will comply with applicable environmental laws and regulations. The State of Arizona does not object to the use of Section 404(r) of the CWA.

Army review of the recommendations contained in the report of the Chief of Engineers determined that the Corps did not demonstrate that the proposed plan represents an efficient way to target Federal and non-Federal resources for aquatic ecosystem restoration. To put this proposed project on par with similar Administration supported desert southwest aquatic ecosystem restoration activities, upland habitat restoration would need to be removed from the project or provided by others as part of a locally preferred plan.

The Office of Management and Budget (OMB) advises that there is no objection to the submission of the report to Congress. However, construction funding would not be considered by the Administration for the project recommended in the report of the Chief of Engineers because the project is not consistent with the policy and programs of

the President. A copy of its letter is enclosed. I am providing a copy of this transmittal and the OMB letter, dated January 12, 2009, to the Senate Subcommittees on Energy and Water Development, and Transportation and Infrastructure.

Very truly yours,

A handwritten signature in cursive script that reads "John Paul Woodley, Jr.".

John Paul Woodley, Jr.  
Assistant Secretary of the Army  
(Civil Works)

Enclosures