DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

12 JUN 2001

CECW-PG

MEMORANDUM FOR COMMANDER, Great Lakes and Ohio River Division

SUBJECT: Implementation Guidance for Section 313 of the Water Resources Development Act of 2000 (WRDA 2000) - Upper Des Plaines River and Tributaries, Illinois

1. Section 313 of WRDA 2000 amends section 419 of WRDA 99 (P. L. 106-53) authorizing a study in the upper Des Plaines River and tributaries, phase 2, Illinois and Wisconsin. Section 313 of WRDA 2000 directs the Secretary of the Army to credit toward the non-Federal share of the cost of the feasibility study work carried out by the non-Federal sponsor before the date of execution of the study cost-sharing agreement if the Secretary and non-Federal interests enter into a Feasibility Cost Sharing Agreement (FCSA) and the Secretary determines that the work is integral to the study for the upper Des Plaines River and tributaries, phase 2, Illinois and Wisconsin project. A copy of Section 313 is enclosed for your information.

2. The Chicago District shall prepare a Project Management Plan (PMP) as a basis for ASA (CW) approval of credit for non-Federal work accomplished prior to execution of the FCSA. The PMP will define the scope, schedule, cost, and division of responsibilities for preparation of the feasibility report. The PMP must include a section titled Crediting Documentation to allow HQUSACE to transmit the Crediting Documentation section to the ASA (CW) for approval. This section will explicitly document the work already accomplished or initiated by the non-Federal sponsor prior to FCSA execution. The crediting documentation will establish whether or not each item of non-Federal work for which credit is proposed is integral to the study. The value of credit for non-Federal work accomplished prior to FCSA execution shall be based on the lesser of the actual costs incurred by the non-Federal sponsor or what it would have cost the Corps to perform the work. The value of credit for non-Federal work accomplished after FCSA execution shall be negotiated. The total amount of credit for non-Federal work identified in the PMP shall not exceed 50 percent of the total study cost. The PMP will be submitted to Headquarters (CECW-B). Subject to ASA (CW) approval of the creditable work, the District may prepare the draft FCSA. Any deviations from the model FCSA must be submitted to Headquarters (CECW-B) for review and approval prior to execution.

3. In order to afford the credit for the work carried out by the non-Federal sponsor before the date of execution of the study cost-sharing agreement, the FCSA must include the amount of credit based on an audit of all costs to determine which are creditable costs.

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Credit will be based on reasonableness, allocability and allowability of costs. Then the credit may be afforded through the FCSA.

FOR THE COMMANDER:

James F. Johnson
Chief, Planning and Policy Division
Directorate of Civil Works

Encl

SEC. 313. UPPER DES PLAINES RIVER AND TRIBUTARIES, ILLINOIS.

The Secretary shall credit toward the non-Federal share of the cost of the study to determine the feasibility of improvements to the upper Des Plaines River and tributaries, phase 2, Illinois and Wisconsin, authorized by section 419 of the Water Resources Development Act of 1999 (113 Stat. 324), the cost of work carried out by the non-Federal interests before the date of execution of the study cost-sharing agreement if--

(1) the Secretary and the non-Federal interests enter into a cost-sharing agreement for the study; and

(2) the Secretary determines that the work is integral to the study.

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