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

REPLY TO
ATTENTION OF:

CECW-PG

12 JUN 2001

MEMORANDUM FOR COMMANDER, Mississippi Valley Division

SUBJECT: Implementation Guidance for Section 320 of the Water Resources Development Act of 2000 (WRDA 2000) – Breckenridge, Minnesota

1. Section 320(a) of WRDA 2000 authorizes the project for flood damage reduction Breckenridge, Minnesota, in accordance with the detailed project report dated September 2000, at a total cost of $21,000,000, with an estimated Federal cost of $13,650,000 and an estimated non-Federal cost of $7,350,000. Section 320(b) of WRDA 2000 states that the non-Federal interest may provide its share of project costs in cash or in the form of in-kind services or materials. Section 320(c) states the Secretary shall credit toward the non-Federal sponsor's share of the cost of the project the costs of design and construction work carried out by the non-Federal sponsor for the Breckenridge, Minnesota project before the date of the cooperation agreement for the modified project or execution of a new project cooperation agreement for the project if the Secretary determines that the work is integral to the project. A copy of Section 320 is enclosed for your information.

2. In order to allow in-kind services or materials to be provided in lieu of cash and to afford such credit, a supplement to the detailed project report (decision document) supporting the Project Cooperation Agreement (PCA) for this project should be prepared by the St. Paul District. This supplement report must include a section titled Crediting Documentation to allow HQUSACE to transmit it to the ASA (CW) for approval. This section will include an estimate of the costs claimed by the non-Federal sponsor for work that preceded the PCA. Likewise, this section should support credit requests for future work, and the mechanisms for providing the credit. This report should be forwarded to HQUSACE for approval by the ASA (CW). Upon approval of this document the PCA should be prepared and forwarded for HQUSACE and ASA (CW) approval. The project is subject to normal budget policy.

3. The credit for prior work may be afforded during the first year after the PCA is executed or after the work is completed and the costs are audited, whichever occurs later. Credit for prospective work must be coordinated with the District Commander prior to its initiation. Credit for this work will be afforded only after the work has been completed and approved by the District Commander and the costs are audited. Credit will be based

on reasonableness, allocability and allowability of costs. The total amount of credit shall not exceed the non-Federal share less the five percent cash for structural flood control features.

FOR THE COMMANDER:

Encl

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

SEC. 320. BRECKENRIDGE, MINNESOTA.

(a) IN GENERAL- The Secretary may complete the project for flood damage reduction, Breckenridge, Minnesota, substantially in accordance with the detailed project report dated September 2000, at a total cost of $21,000,000, with an estimated Federal cost of $13,650,000 and an estimated non-Federal cost of $7,350,000.

(b) IN-KIND SERVICES- The non-Federal interest may provide its share of project costs in cash or in the form of in-kind services or materials.

(c) CREDIT- The Secretary shall credit toward the non-Federal share of the cost of the project the cost of design and construction work carried out on the project by the non-Federal interest before the date of the cooperation agreement for the modified project or execution of a new cooperation agreement for the project if the Secretary determines that the work is integral to the project.

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