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

REPLY TO
ATTENTION OF:

CECW-PC

27 MAR 2000

MEMORANDUM FOR Commander, Great Lakes and Ohio River Division

SUBJECT: Thornton Reservoir, Cook County, Illinois -- Guidance for Implementation of Section 501(b) of the Water Resources Development Act (WRDA) of 1999

1. Citation. Section 501(b) of WRDA 1999 is enclosed.

2. Guidance.

a. Authorized Project. The Thornton reservoir project, an element of the Chicagoland Underflow Plan (CUP), Illinois, authorized by Section 3(a)(5) of WRDA 1988, is modified by section 501(b) of WRDA 1999 to provide total flood storage of 24,200 acre-feet. Total storage is the sum of the storage for the individual U.S. Army Corps of Engineers (14,200 acre-feet) and Natural Resource Conservation Service (NRCS) (9,600 acre-feet) projects. The authorized project location is the Materials Service Corporation (MSC) quarry in Thornton, Illinois.

b. Interim Project. Prior to execution of a Project Cooperation Agreement (PCA) for the authorized project, non-Federal interests, in cooperation with the Secretary of Agriculture (i.e., NRCS), may implement on an interim basis, a flood control reservoir in the west lobe of the MSC quarry with storage up to the amount that would have been provided by the approved NRCS project (i.e., 9,600 acre-feet). Corps funds shall not be used for the implementation of an interim project. The Chicago District should review the plans and specifications for the interim project and advise non-Federal interests of any potential adverse impacts on the implementation of the authorized Corps project.

c. Decision Document and PCA. The Chicago District shall prepare a decision document that meets the requirements of paragraph 7.c. of EC 1165-2-204. The document will support a future PCA for the authorized project, if it is determined to be technically sound, environmentally acceptable, and economically justified. If the authorized plan does not meet these criteria, an alternative plan that maximizes net national economic development benefits and is within the scope of the authorization and meets the criteria should be recommended. The decision document, along with technical and legal review documentation, will be submitted to Headquarters for review and for approval by the Assistant Secretary of the Army (Civil Works) [ASA(CW)]. After ASA(CW) approval of the decision document, submit a negotiated draft PCA for Washington-level review and approval.

d. Current and Maximum Project Costs. The current total cost of the authorized Thornton reservoir project shall be determined without regard to work that has been or is planned to be accomplished by the NRCS and non-Federal interests in conjunction with implementation of an interim project. In other words, the decision document will identify the most cost effective plan for the authorized project assuming that an interim project is not implemented. The Thornton reservoir project is subject to the maximum allowable cost provisions of section 902 of WRDA 1986 as an element of the CUP project authorized by WRDA 1988 (i.e., McCook and Thornton). In other words, Thornton reservoir does not have a specific maximum allowable cost, but is part of the CUP project which does have a maximum allowable cost. In accordance with section 902 and the procedures established in Appendix P of ER 1105-2-100, the maximum cost of the CUP project shall be automatically increased for the modification to the Thornton reservoir element authorized by WRDA 1999. The decision document should include a comparison of the current and maximum allowable costs for the CUP project. If the current cost of the CUP project exceeds the section 902 maximum allowable cost of the CUP project, the decision document should support a recommendation to Congress for a post authorization change.

e. Cost Sharing and Credits. The non-Federal share of the authorized project shall be in accordance with section 103 of WRDA 1986 (i.e., 5 percent cash plus credit for LERRD's for a minimum of 25 percent). Non-Federal interests may also be afforded credit for the non-Federal share of costs incurred, prior to execution of a PCA for the authorized project, for the design and construction of features of an interim project that are integral to the authorized project. A feature of the interim project shall be considered integral if it substitutes for and/or precludes the need for construction of a feature of the authorized project. The decision document will provide an estimate of the value of credits to be afforded based on the lesser of what it would have cost the Corps to accomplish the work at the time the work was done or the actual costs incurred by non-Federal interests. The actual amount of credit to be afforded is subject to audit. In addition, the amount of credit afforded in each fiscal year is subject to section 102 of the Energy and Water Development Appropriations Act for Fiscal Year 2000 (Public Law 106-60).

FOR THE COMMANDER:

Encl

HANS A. VAN WINKLE
Major General, USA
Deputy Commander for
Civil Works

CF:
CELRD-PM
CELRC-PP

WATER RESOURCES DEVELOPMENT ACT OF 1999 (PUBLIC LAW 106-53)

SEC. 501. CORPS ASSUMPTION OF NRCS PROJECTS.

(b) THORNTON RESERVOIR, COOK COUNTY, ILLINOIS.

(1) IN GENERAL. The Thornton Reservoir project, an element of the project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to authorize the Secretary to include additional permanent flood control storage attributable to the Natural Resources Conservation Service Thornton Reservoir (Structure 84), Little Calumet River Watershed, Illinois, approved under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

(2) LIMITATION. No funds may be obligated to carry out work under the modification under paragraph (1) until completion and approval by the Secretary of a final report by the Chief of Engineers finding that the work is technically sound, environmentally acceptable, and economically justified.

(3) COST SHARING. Costs for the Thornton Reservoir project shall be shared in accordance with section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213).

(4) TRANSITIONAL STORAGE. The Secretary of Agriculture may cooperate with non-Federal interests to provide, on a transitional basis, flood control storage for the Natural Resources Conservation Service Thornton Reservoir (Structure 84) project in the west lobe of the Thornton quarry.

(5) CREDIT TOWARD NON-FEDERAL SHARE. The Secretary may credit toward the non-Federal share of the costs of the Thornton Reservoir project all design and construction costs incurred by the non-Federal interests before the date of signing of the project cooperation agreement.

(6) REEVALUATION REPORT. The Secretary shall determine the credits authorized by paragraph (5) that are integral to the Thornton Reservoir project and the current total project costs based on a limited reevaluation report.