



CECW-PM

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MEMORANDUM FOR Commander, North Atlantic Division, ATTN: CENAD-ET-P

SUBJECT: Implementation of Section 101(a)(2) of the Water Resources Development Act of 2000 (WRDA 2000) – Port of New York and New Jersey, New York and New Jersey

1. Section 101(a)(2) of WRDA 2000, authorizes construction of the New York and New Jersey Harbor, New York and New Jersey, navigation improvement project at a total cost of \$1,781,234,000, with an estimated Federal cost of \$743,954,000 and an estimated non-Federal cost of \$1,037,280,000. Inadvertently, WRDA 2000 identifies incorrect estimates of project costs. The correct project cost estimates are contained in the Report of the Chief of Engineers, dated 2 May 2000. The correct total cost of the project is estimated at \$1,781,235,000, with an estimated Federal cost of \$738,631,000 and an estimated non-Federal cost of \$1,042,604,000.
2. Section 101(a)(2)(B)(i) allows non-Federal interests to provide their share of project costs in cash or through in-kind services or materials. Section 101(a)(2)(B)(ii) also authorizes the Secretary to credit non-Federal interests toward the non-Federal share of project costs the cost of design and construction work carried out by them before the date of execution of the Project Cooperation Agreement (PCA), if the Secretary determines that the work is integral to the project. In order for the Secretary to allow such credits, a supplement to the decision document supporting the PCA for this project must be prepared by the New York District, including an assessment of design and construction credits claimed by the non-Federal sponsor.
3. In transmitting the final letters to Congress on this project on 3 March 2001, the Acting Secretary of the Army modified an existing item of local cooperation and identified an additional item of local cooperation to ensure that the expected benefits of the project are realized. Please ensure that the items of local cooperation require the non-Federal project sponsor to ensure that the container facilities at the former Military Ocean Terminal at Bayonne (MOTBY) site at Port Jersey will be operational prior to the construction of the 50-foot Port Jersey Channel, and that the South Brooklyn Marine Terminal and related infrastructure will be under construction and scheduled to be completed concurrently with Bay Ridge Channel. Please ensure that these items of local cooperation appear in the PCA.

FOR THE COMMANDER:

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JAMES F. JOHNSON
Chief, Planning and Policy Division
Directorate of Civil Works

CF: CECW-P
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RET TO CECW-PM: