



CECW-PC

29 NOV 1999

MEMORANDUM FOR Commander, Great Lakes and Ohio River Division

SUBJECT: White River, Central Indianapolis Waterfront, Indiana -- Guidance for Implementation of Section 322 of the Water Resources Development Act (WRDA) of 1999

1. Citation. Section 322 of WRDA 1999 reads as follows:

SEC. 322. WHITE RIVER, INDIANA

The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes", approved June 22, 1936 (49 Stat. 1586, chapter 688), as modified by section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), is modified to authorize the Secretary to undertake the riverfront alterations described in the Central Indianapolis Waterfront Concept Plan, dated February 1994, for the Canal Development (Upper Canal feature) and the Beveridge Paper feature, at a total cost not to exceed \$25,000,000, of which \$12,500,000 is the estimated Federal cost and \$12,500,000 is the estimated non-Federal cost, except that no such alterations may be undertaken unless the Secretary determines that the alterations authorized by this section, in combination with the alterations undertaken under section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), are economically justified.

2. Background. Section 323 of WRDA 1996 authorized construction of riverfront recreation improvements at a total cost of \$85,975,000 with a Federal cost of \$39,975,000 and a non-Federal cost of \$46,000,000. Specific features to be implemented were identified in the February 1997 supplement to the February 1994 concept plan which was approved by the Assistant Secretary of the Army (Civil Works) [ASA(CW)] on 19 May 1997 with the provision that the Federal cost of the project shall not exceed \$39,975,000. Construction funds have been appropriated and a Project Cooperation Agreement (PCA) has been executed. On 1 June 1999, the ASA(CW) approved an amendment to the PCA to add the Upper Canal element to the project with the Federal cost of the total project limited to \$39,975,000. Section 322 of WRDA 1999 authorizes construction of the Upper Canal and Beveridge Paper features of the concept plan at a total cost of \$25 million, subject to a determination by the Secretary that these features, in combination with the previously authorized work, are economically justified.

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3. Guidance. Project outputs (i.e., recreation-based waterfront development) are not a high budgetary priority. Work may proceed only to the extent that funds are appropriated. Subject to availability of funds, the Louisville District shall prepare a decision document that meets the requirements of paragraph 7.c. of EC 1165-2-204 to support a PCA amendment to add the Beveridge Paper feature to the project and to increase the total project cost and the Federal and non-Federal shares of the total project cost. The economic analysis presented in the document will demonstrate that the Upper Canal and Beveridge Paper features, in combination with work previously approved for construction, are economically justified. The authorized total project cost to be reflected in the decision document is the sum of the amounts authorized in WRDA 1996 and WRDA 1999 (\$110,975,000). The total project cost is subject to the maximum allowable cost provisions of section 902 of WRDA 1986. However, the Federal share of the total project cost shall be limited to the sum of the amounts authorized in WRDA 1996 and WRDA 1999 (\$52,475,000) and is not subject to any increase in cost that might otherwise be allowed under section 902 of WRDA 1986. The decision document, along with technical and legal review documentation, will be submitted to Headquarters for review and approval by the ASA(CW). After ASA(CW) approval of the decision document, negotiate and submit a draft PCA amendment for Washington-level review and approval.

FOR THE COMMANDER:

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

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