



DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY  
CIVIL WORKS  
108 ARMY PENTAGON  
WASHINGTON DC 20310-0108

5 JUL 2016

MEMORANDUM FOR THE DIRECTOR OF CIVIL WORKS

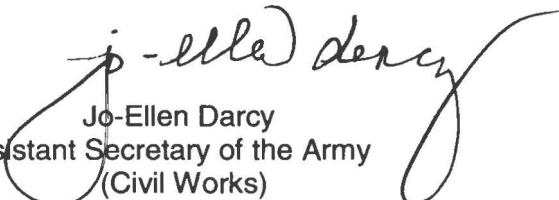
SUBJECT: Inner Harbor Navigation Canal (IHNC) Deep Draft Lock Replacement – Request for Approval to Modify the non-Federal Cost Share Basis in the Project Cooperation Agreement (PCA)

This responds to a memorandum from the Director of Civil Works dated May 12, 2016, requesting approval of the subject modification to the PCA cost sharing, delegation of approval to the MVD Commander for a PCA amendment conforming with this modified cost share, and delegation of the execution of the PCA amendment to the MVN Commander. The Port of New Orleans requested, by letter dated September 2012, that the U.S. Army Corps of Engineers (Corps) declare the deep draft lock replacement project no longer viable and consider pursuing a shallow draft only lock replacement project.

The PCA for the IHNC Deep Draft Lock Replacement project was executed on September 27, 2001 and included the non-Federal cost share that was calculated based on a formula allocating project costs between deep draft and shallow draft. This formula resulted in a non-Federal cost share of 6.5 percent. Because the project was terminated before construction began, the allocation of costs between shallow draft and deep draft changed. The non-Federal cost share was recalculated using the updated allocation of costs, and resulted in a cost share of 3.62 percent or approximately \$2,750,000. Based on this cost share, \$1,182,000 of the \$3,932,000 non-Federal cash currently held in escrow would be returned to the Port.

The revised cost share calculation has been reviewed by my staff and no significant issues were identified. I therefore, approve the Corps' request to decrease the non-Federal cost share percentage of the cost of the general navigation features for the IHNC project from 6.5 percent to 3.62 percent, resulting in \$1,182,000, currently held in escrow, being returned to the Port. I further delegate approval authority of the PCA amendment to the MVD commander and execution authority of the CA amendment to the MVN Commander.

If you have any questions, please contact my Deputy Assistant Secretary of the Army for Civil Works, Project Planning & Review, Mr. Doug Lamont, at 202-761-0016.

  
Jo-Ellen Darcy  
Assistant Secretary of the Army  
(Civil Works)