

MEMORANDUM FOR RECORD

SUBJECT: Minutes from the 30 May 2007 CWPPRA Technical Committee Meeting

1. Mr. Troy Constance opened the meeting at 9:30 a.m. The following Technical Committee members were in attendance:

Mr. Darryl Clark, U.S. Fish and Wildlife Service (FWS)
Mr. Troy Constance, Corps of Engineers (Corps)
Mr. Gerry Duszynski, Louisiana Department of Natural Resources (LDNR)
Mr. Rick Hartman, National Marine Fisheries Service (NMFS)
Ms. Sharon Parrish, Environmental Protection Agency (EPA)
Mr. Britt Paul, Natural Resources Conservation Service (NRCS)

A copy of the agenda is included as **Encl 1**. A copy of the sign-in sheet is included as **Encl 2**.

2. Ms. Julie LeBlanc, Corps, presented a budget report to the Technical Committee. Before the February 15, 2007 Task Force meeting, there was \$65 million available (Federal and non-Federal) in the construction program. The Task Force approved requests for additional Phase II Increment I funding for the West Lake Boudreaux and Lake Borgne Shoreline Protection Projects and two projects for Phase II authorization: Dedicated Dredging on the Barataria Landbridge for Site 1 and Goose Point/Point Platte Marsh Creation Project. These four approved requests totaled \$22 million (Federal and non-Federal). The Task Force also approved \$9 million for the Grand Lake Shoreline Protection Project. Current available Federal and non-Federal funds total \$13 million. Technical Committee approval of Agenda Items 1 and 2 would result in a negative (-) \$1.2 million available construction program balance. There is still \$191 million in unobligated funds.

3. Agenda Item 1: Decision: Request for Additional Phase II, Increment I Funding for the PPL 10 North Lake Mechant Landbridge Restoration Project (TE-44) (Clark). *The Technical Committee will consider a request by the FWS and LDNR for additional funding for the North Lake Mechant Landbridge Restoration Project due to increased construction costs. The Task Force approved Phase II Increment I funding for construction Unit 2 in the amount of \$27,400,960 on October 13, 2004. Additional Phase II, Increment I funding in the amount of \$8,026,512 is needed because construction costs have increased as a result of the 2005 hurricanes.* Mr. Clark offered that Mr. Ralph Libersat, LDNR, and Mr. Jerry Carroll, LDNR, were available to discuss the project.

Mr. Libersat said that after receiving Phase II approval, the project was delayed due to oyster issues. The project also experienced increases in unit price costs after Hurricane Katrina.

Mr. Carroll said that \$5 to \$6 million of the cost increase is related to dredging and about \$2 million is for full containment. The project was not originally designed for full containment,

however it was determined after lessons learned that full containment is needed. Mobilization costs and rock prices have also increased.

DECISION: Mr. Clark moved to approve additional Phase II, Increment I funding in the amount of \$8,026,512 for the North Lake Mechant Landbridge Restoration Project (TE-44). Ms. Parrish seconded. All Technical Committee members voted in favor and the motion passed. The Technical Committee will recommend approval of the funding request to the Task Force for final decision at the June 27, 2007 Task Force Meeting.

4. Agenda Item 2: Decision: Request for Construction Cost Increases for the PPL 11 Pass Chaland to Grand Bayou Pass Barrier Shoreline Restoration Project (BA-35) (Hartman). The Technical Committee will consider a request by NMFS and LDNR for additional funding for the Pass Chaland segment of the Pass Chaland to Grand Bayou Pass Barrier Shoreline Restoration Project due to increased construction costs. Phase II Increment I funding in the amount of \$26,904,301 was approved by the Task Force on February 8, 2006. Additional Phase II, Increment I funding in the amount of \$6,264,855 is needed because construction costs have increased as a result of the 2005 hurricanes. Mr. Hartman announced that this project will be going out for bid in FY07. This is a barrier island project in an area that is rapidly deteriorating. Mr. Hartman offered that Ms. Rachel Sweeney, NMFS, and Mr. Ken Bahlinger, LDNR, were available to discuss the project.

Ms. Sweeney indicated that most of the cost increase is associated with dredging quantity increases due to breaches that formed along the shoreline after Hurricanes Katrina and Rita. The intent is to keep the project footprint and basic design the same as what was approved for Phase II. Therefore, the benefits would remain unchanged.

DECISION: Mr. Hartman moved to approve additional Phase II, Increment I funding in the amount of \$6,264,855 for the Pass Chaland to Grand Bayou Pass Barrier Shoreline Restoration Project (BA-35). Mr. Clark seconded. All Technical Committee members voted in favor and the motion passed. The Technical Committee will recommend approval of the funding request to the Task Force for final decision at the June 27, 2007 Task Force Meeting.

5. Agenda Item 3: Discussion: Additional Requests for Phase II, Increment I Authorization and Approval of Phase II, Increment I Funding (Constance). At the February 15, 2007 Task Force meeting, the Task Force indicated that they would consider additional requests for Phase II Authorization and Phase II, Increment I funding. The Technical Committee was tasked with breaking down CWPPRA and Coastal Impact Assistance Program (CIAP) construction and O&M costs for East Grand Terre Island Restoration (BA-30); GIWW Bank Restoration of Critical Areas in Terrebonne Parish, Segments 1, 2, and 6 (TE-43); Ship Shoal, Whiskey Island West Flank Restoration (TE-47); and South Lake DeCade, CU 1 (TE-39) to determine the costs to the CWPPRA program if these projects are funded for construction under CIAP. This information will be reported back to the Task Force for their consideration in potential funding decisions. Ms. LeBlanc presented the breakdown of CIAP versus CWPPRA costs for the next four highest ranked projects on the Technical Committee's December 2006 recommendation.

- A. East Grand Terre Island Restoration – The CWPPRA project proposed for Phase II authorization is identical to the CIAP plan. CIAP would cover the \$31.3 million in construction costs. The 3-year OM&M cost is \$2.55 million, the 20-year OM&M cost is \$3.06 million.
- B. GIWW Bank Restoration of Critical Areas in Terrebonne - Segments 1, 2, and 6 – the CIAP plans to build the same segments as the project that was brought forth for Phase II approval under CWPPRA in December 2006/February 2007. The CIAP would fund \$11.6 million for construction. The estimate for the first three years of OM&M that CWPPRA could potentially pick up would be \$1.6 million. The 20-year OM&M cost estimate is \$4.4 million.
- C. Ship Shoal, Whiskey Island West Flank Restoration – This is a Tier 2 CIAP project. There are currently no CIAP efforts anticipated. Therefore, a break down of Phase II costs was not provided. The Phase II, Increment I cost is \$48.9 million.
- D. South Lake DeCade, CU-1 – This is a Tier 2 CIAP project. There are currently no CIAP efforts anticipated. Therefore, a break down of Phase II costs was not provided. The Phase II, Increment I cost is \$2.2 million.

Mr. Constance opened the floor to discussion from the Technical Committee.

Mr. Hartman noted that unobligated funds would have to be used to fund the O&M for these projects.

Mr. Clark said that it is not critical at this time that O&M be funded for East Grand Terre or GIWW Bank Stabilization Projects because they have not been constructed yet. He added that in October, FY08 monies would come into the program.

Mr. Greg Grandy, LDNR, said that the bid should go out for East Grand Terre later this summer. Bids for the GIWW Bank Stabilization may take longer. Construction on both projects is expected to begin early next year.

Mr. Constance said that the purpose of the exercise is to advise the Task Force on how they may use opportunities such as this to leverage other actions in the state for further restoration.

6. Agenda Item 4: Discussion: Status of Unconstructed Projects (LeBlanc). As directed by the Task Force, the Technical Committee will discuss the status of unconstructed CWPPRA projects which may be experiencing project delays. The Planning and Evaluation (P&E) Subcommittee will report back on its March 27-28, 2007 meetings with individual project managers and provide feedback on its recommendations. The discussion will include individual project delays and potential solutions. The results of this discussion will be reported to the Task Force.

Ms. LeBlanc stated that the P&E Subcommittee has developed five lists to classify unconstructed projects: Watch, Watch/Critical, Watch/Critical*, De-authorization, and Large Scale Projects. The projects on the Watch list are recommended for “watching” milestones only. Ms. LeBlanc announced that the 15 projects on the Watch list are:

PPL 2	Jonathan Davis Wetland Restoration
PPL 6	Penchant Basin Natural Resources Plan

PPL 9	Little Pecan Bayou Hydrologic Restoration
PPL 10	Lake Borgne Shoreline Protection Terrebonne Bay Shore Protection Demo Delta Building Diversion at Myrtle Grove Delta Building Diversion North of Fort St. Phillip
PPL 11	North Lake Mechant Landbridge Restoration River Reintroduction into Maurepas Swamp South Grand Chenier Hydrologic Restoration Barataria Barrier Island Pass Chalant to Grand Bayou Raccoon Island Shoreline Protection
PPL 12	Avoca Island Diversion and Land Building Bayou Dupont Sediment Delivery System

Specific details of the individual projects on the Watch/Critical and Watch/Critical*, deauthorization and Large Scale Project lists were discussed during the meeting and are captured in the transcripts.

The projects on the Watch/Critical list are recommended for “watching”; however, there is a critical milestone that must be met in order to keep the project on-track. The total unexpended funds for the seven projects on the Watch/Critical list is \$14.5 million, with unobligated funds of \$11.2 million. Ms. LeBlanc announced that the seven projects on the Watch/Critical list are:

Complex Project	Central and Eastern Terrebonne Freshwater Delivery
Complex Project	Fort Jackson Sediment Diversion
PPL 3	West Pointe a la Hache Outfall Management
PPL 5	Grand Bayou Hydrologic Restoration
PPL 10	Benneys Bay Diversion Small Freshwater Diversion to the Northwestern Barataria Basin
PPL 12	Mississippi River Sediment Trap

The projects on the Watch/Critical* list are recommended for “watching”; however, the P&E Subcommittee does not have enough information to make a recommendation. The critical milestone must be completed before a recommendation can be made. The total unexpended funds for the three projects on the Watch/Critical* list is \$14.1 million, with total unobligated funds of \$12.4 million. Ms. LeBlanc announced that there are three projects on the Watch/Critical* list:

PPL 2	Brown Lake Hydrologic Restoration
PPL 9	Periodic Intro of Sediment and Nutrients at Selected Diversion Sites Demo
PPL 6	Lake Boudreaux Freshwater Introduction

The P&E Subcommittee recommended that the projects on the deauthorization list be considered for deauthorization. The total unexpended funds for the projects on the Deauthorization list is

\$3.6 million, with total unobligated funds of \$2.2 million. Ms. LeBlanc announced that the six projects on the Deauthorization list are:

- PPL 9 Opportunistic Use of the Bonnet Carre Spillway
- Weeks Bay Marsh Creation and Shoreline Protection
- LaBranche Wetlands Terracing, Planting, and Shoreline Protection
- PPL 5 Bayou Lafourche Siphon
- Mississippi River Reintroduction into Bayou Lafourche
- Myrtle Grove Siphon

Ms. LeBlanc announced that the following five projects have costs more than \$50 million and were placed on the Large Scale Projects list:

- PPL 2 Fort Jackson Sediment Diversion
- PPL 10 Rockefeller Refuge Gulf Shoreline Stabilization
- PPL 11 River Reintroduction into Maurepas Swamp
- PPL 12 Benneys Bay Diversion
- Mississippi River Sediment Trap

Mr. Constance opened the floor to discussion from the Technical Committee.

Mr. Hartman suggested that the P&E Subcommittee report the status of milestones to the Technical Committee at the annual spring meeting. Then a decision can be made on whether to move projects from one list to another.

Mr. Constance noted that the intent is not to stop a project, but to help usher struggling projects along. The Technical Committee will try to help resolve issues to move projects forward.

Mr. Clark said that induced shoaling in the Mississippi River Navigation Channel will be an issue with diversion projects. Any increased maintenance costs due to induced shoaling needs to be included in the project. This issue needs to be resolved between the Corps and the State.

Mr. Duszynski added that, although the Bayou Lafourche River Reintroduction is on the D-list, the state has signed agreements to continue work on the project design.

Mr. Clark asked if the Fort Jackson and Benneys Bay projects costs included costs for oysters and dredging for induced shoaling impacts. Ms. LeBlanc replied that oysters costs are associated with the Fort Jackson project, but she added that cost estimates have not been revised to account for recent changes in the requirements for oyster compensation.

DECISION: Mr. Clark recommended that the Technical Committee ratify and support the P&E Subcommittee report and inform the Task Force at their next meeting.

DECISION: The Technical Committee asked the P&E Subcommittee to report twice a year during the Fall and Spring, beginning Spring 08, on the progress of unconstructed projects.

7. Agenda Item 5: Decision: Transitioning Projects to Other Authorities (Goodman). As directed by the Technical Committee at its March 14, 2007 meeting, the P&E Subcommittee reviewed Section 6.p. and Appendix H of the CWPPRA Standard Operating Procedures (SOP) Revision 13.0, dated March 14, 2007. The P&E Subcommittee determined that Appendix H contains procedures that duplicate procedures in Section 6.p. The P&E Subcommittee recommends removing Appendix H from the SOP and incorporating some of its procedures to Section 6.p. to eliminate duplicated or otherwise flawed procedures. Ms. Goodman asked the Technical Committee to approve changes to the SOP made by the P&E Subcommittee. Changes include removal of Appendix H and incorporation of details on transitioning projects to other authorities into the body of the SOP.

DECISION: Mr. Hartman moved to approve the changes to the SOP, which include removal of Appendix H and the addition of language for transitioning projects into the body of the SOP. Mr. Clark seconded. All Technical Committee members voted in favor and the motion passed. The changes are final without further ratification by the Task Force, since the changes were not policy-related.

8. Agenda Item 6: Decision: Project Transfer Request: Bayou Lamoque Freshwater Diversion (BS-13) (Duszynski). The State requests that this project be transferred from the CWPPRA program to the CIAP because it is a Tier 1 project in the State's Draft CIAP plan, and the State is currently designing the project to be executed under the State's Plan. Mr. Duszynski requested that CWPPRA transfer the Bayou Lamoque Project to the CIAP program, since the state plans to build the project this or next year.

Mr. Hartman asked if there would be a discussion regarding three years of O&M for this project. Mr. Duszynski replied that the project isn't far enough along to discuss O&M at this time. Mr. Duszynski added that he did not envision this being a hard project to maintain.

DECISION: Mr. Clark moved for the Technical Committee to recommend that the Task Force initiate transfer procedures for the Bayou Lamoque Project from CWPPRA to CIAP. Mr. Hartman seconded. All Technical Committee members voted in favor and the motion passed. The Technical Committee will recommend to the Task Force initiate transfer procedures for the project at the June 27, 2007 Task Force Meeting.

9. Agenda Item 7: Decision: Project Life Cycle Least Cost Alternative Analysis as a 30% and 95% Design Review Requirement (Goodman). The Technical Committee decided at their March 14, 2007 meeting, that construction and long-term O&M costs should be addressed as a life cycle investment. The Technical Committee approved a motion to incorporate project life cycle least cost alternative analysis as a 30% and 95% design review requirement. The P&E

Subcommittee will discuss their recommendation. Ms. Goodman stated that the P&E Subcommittee was tasked with developing an analysis procedure to reduce long-term O&M cost in an effort to reduce the fully funded cost of constructing and maintaining CWPPRA projects. The P&E Subcommittee determined that project managers already consider reducing life cycle costs but there was no previous requirement to demonstrate this in the design review. Ms. Goodman said that the P&E Subcommittee has incorporated this requirement as part of the 30 percent design review requirements to demonstrate that an alternative cost analysis was done on to determine the best fit project considering construction cost and long-term O&M.

Mr. Hartman added that this requirement is to make sure the project managers are considering the total costs and not just the initial construction costs.

DECISION: Mr. Hartman moved to approve the changes to the SOP to require demonstration of fully funded least cost alternative analysis at the 30 percent design review. Mr. Paul seconded. All Technical Committee members voted in favor and the motion passed. The changes are final without further ratification by the Task Force since the changes are not policy related.

10. Agenda Item 8: Discussion: FY08 Planning Budget Development (Process, Size, Funding, etc.) (Constance). The FY08 Planning Budget process shall be initiated to allow final Task Force approval of the FY08 Planning Budget at the October 17, 2007 Task Force Meeting. Ordinarily, the Task Force would have made suggestions at its spring meeting for the FY08 budget, including suggestions for a PPL 18 process; however, their meeting was cancelled. The Technical Committee will discuss and decide on a process to develop the FY08 budget, to include PPL18. This will be discussed further with the Task Force at the June 27, 2007 Task Force meeting to get additional direction for developing the FY08 Planning Budget and to get approval of a PPL 18 process.

Mr. Constance opened the floor for discussion by the Technical Committee.

Mr. Hartman said that the FWS had recommended moving the PPL schedule and lightening the PPL process. This should be a recommendation the Technical Committee makes to the Task Force in June.

Mr. Kevin Roy, FWS, said that the current PPL process, which runs from March to August, puts a big demand on staff to review the candidate projects. He suggested adopting a PPL process that would provide an extended period for candidate project review with decision on Phase I approvals made in December/January. A downside would be a longer funding meeting to consider Phase I and II approvals.

Mr. Clark said that FWS would revise the current PPL 17 process to extend the time period and present this idea at the Task Force meeting in June. Mr. Hartman added that the size of PPL 18 be similar to PPL 17.

Mr. Roy said that currently 20 nominees and six demos are selected at the RPT meetings. The Technical Committee then selects 10 candidate projects and three demos for further review. Mr. Clark added that the Task Force can select up to four projects for Phase I.

Mr. Paul noted that a change in the PPL timeline would impact Phase II approvals, since agencies would be working on candidate project evaluations and project Phase II approval request efforts at the same time. Mr. Roy replied that he did not think this would be a problem.

Mr. Constance opened the floor for comments from the public.

Mr. Quin Kinler, NRCS, expressed concern about increased burdens on workgroups to finish preparing reviews and fully funded costs for Phase II. In previous years, there have been delays in getting this done on time because everything is due at the same time. Now we will add in that PPL work efforts be due at the same time.

Mr. Paul said that it should be reflected in the schedule to allow enough time for completion of Phase II documents.

Mr. Hartman agreed that the change in the PPL process is warranted. The review of 10 projects takes a lot of staff time and a couple of extra months would help.

Mr. Kinler said that there may not be a conflict if the period is pushed back from August to mid-September to keep a period of time for Phase II work. It would be ideal to have a finite end for the PPL process to allow time for the other activities to take place. Mr. Roy agreed and added that the new PPL process can indicate that the engineering and economic reviews be completed by September. Mr. Hartman added that the schedule must be clear and there has to be people available to review the documents.

DECISION: The FWS will put together a proposal for the PPL 18 process incorporating the proposed new timeline and submit it to the Technical Committee for review and approval. The PPL 18 process would then be presented to the Task Force for approval at their June 07 Meeting. The PPL 18 process should otherwise be similar in size and nature to PPL 17.

DECISION: The P&E Subcommittee was tasked with developing the FY08 budget for recommendation to the Technical Committee at its September 2007 meeting, and final approval by the Task Force in October 2007.

11. Agenda Item 9: Discussion: Impacts of Converting Non-cash Flow Projects to Cash Flow (LeBlanc). As directed at the March 14, 2007 Technical Committee meeting, the P&E Subcommittee consulted with their respective agencies to determine the impacts of amending cost-share and land rights agreements to move PPL 1-8 projects to cash flow. The P&E Subcommittee will discuss their findings. The primary reason to consider moving PPL 1-8 projects to cash flow would be to free up long-term O&M; however, there are other impacts that should be discussed. The Technical Committee will also discuss the impacts of moving PPL 1-8 projects that have not been constructed to cash flow (e.g., whether or not these projects would be

subject to 30% and 95% design review requirements or otherwise have to compete annually for Phase II construction funding). Ms. LeBlanc announced that the information received from the agencies on the impact of amending cost-share and land rights agreements was mixed. There did not seem to be an issue with land rights agreements for most agencies, but some cost-share agreements would potentially require modification if those PPL 1-8 projects were moved to cash flow. It has not been discussed if the non-cash flow to cash flow change would only be subject to O&M and monitoring for those projects that have been constructed or if it included projects that have not yet been constructed.

Of the \$191 million of unobligated funds in the program, \$59 million is attributed to PPL 1-8 projects. A portion of that \$59 million could become available if those projects were moved into the cash flow environment. The total unexpended balance for monitoring for all PPL 1-8 projects is \$14.3 million. Monitoring needs for FY06-FY10 for PPL 1-8 projects totals \$7.3 million. An estimated \$4.8 million could be moved back into the program if the monitoring were moved into cash flow for PPL 1-8.

The P&E Subcommittee does not yet have the same breakdown for O&M. Mr. Gerry Duszynski said that the state was working on it and would provide the information.

Mr. Constance opened the floor for comments from the Technical Committee.

Mr. Clark said that the Task Force looked at moving O&M for PPL 1-8 projects to cash flow in 2003. It was determined that just looking at O&M would not constitute a lot of money that could be placed back into the program. FWS does not think there are any issues with land rights agreements, but some cost-share agreements may need to be modified. He sees a benefit from moving PPL 1-8 projects to cash flow. One question would have to be ironed out: When a project is fully designed and comes before the Task Force for construction approval, would it automatically get approved or would it have to compete with the existing cash flow projects for construction funds?

Mr. Hartman indicated that freeing up funds by moving PPL 1-8 projects to cash flow would allow the program to build more projects sooner. At some point in the future the program will have to decide whether to spend money on maintaining existing projects or building new ones.

Mr. Paul indicated that the Technical Committee needs to have all the information on the cost share and land rights agreements and potential available funds that could be returned for each project before making a recommendation, because each project may have a different set of constraints.

Mr. Clark added that the FWS is willing to de-obligate some unexpended funds and return them to the program if the Technical Committee agrees to do this programmatically.

Mr. Constance agreed with Mr. Paul that the Technical Committee would have to look at project specifics. Project managers need to honestly evaluate the probability of moving unconstructed projects to construction in three years or less to avoid returning funds that may be needed in this short term. Mr. Paul agreed that there is no point swapping a project to cash flow now if the project is scheduled for construction within the next three years.

Mr. Clark said that information is available to help assess this because all project managers on PPL 1-8 projects that had not been constructed yet had to present their project and answer questions before the P&E Subcommittee. Projects should be pulled out of this cash flow idea if they are viable and most likely be constructed in one year.

Mr. Hartman said that most of the money isn't in the unconstructed projects but in O&M. He suggested tasking LDNR with providing the O&M estimates for the next three years.

Mr. Duszynski cautioned that although we can identify some money from unconstructed project features to move back into the program, we need to be careful that we don't do a tremendous amount of work only to realize that a small amount of money would become available, as was the case in 2003. Mr. Hartman said there was over \$20 million identified in the 2003 analysis and we said it wasn't worth the hassle. Mr. Clark clarified that the 2003 analysis only looked at monitoring and O&M funds; it did not include unobligated or unexpended construction funds.

Mr. Constance suggested putting a mechanism in place with the Watch lists that would give the Technical Committee the ability to make decisions at a later date. The real goal is to help usher some of these projects along or remove them from further action to free up dollars.

Mr. Clark supported rolling construction funds for projects that would not be constructed within 18 months into cash flow.

Mr. Hartman noted that the projects on the Watch/Critical and Watch/Critical* lists have \$30 million in unexpended funds. If we are really going to reprogram the money, the real source of meaningful money is in O&M funds.

DECISION: LDNR will provide the P&E Subcommittee with O&M information for PPL 1-8 projects. The Technical Committee will wait until all information is available at the September meeting to make a decision on this issue. The status of this effort will be reported to the Task Force at its June 2007 meeting.

12. Agenda Item 10: Discussion: Project Costs and Benefits Reevaluation Procedures for Requesting O&M Funding Increases (Goodman). At their March 14, 2007 meeting, the Technical Committee directed the P&E Subcommittee to develop a decision-making process for approving requests for increases in O&M funding. The P&E Subcommittee will discuss their recommended approach and request further direction from the Technical Committee to proceed.

Ms. Goodman said that some agencies were requesting O&M funding increases without justifying the need in terms of project performance and cost effectiveness over the long-term of the project. Therefore the Technical Committee tasked the P&E Subcommittee with developing a procedure on how to evaluate projects relative to their realized and future projected benefits and overall cost increases. The P&E Subcommittee determined that there was not enough direction for this task and requested additional guidance from the Technical Committee. Ms. Goodman noted that the SOP includes requirements for requesting funding increases but have not been enforced. The P&E Subcommittee is also unclear on whether or not a detailed wetland

value assessment (WVA) and fully funded project cost estimate for the remaining life of the project would be required or if a qualitative assessment would be sufficient.

Mr. Constance opened the floor for comments from the Technical Committee.

Mr. Constance said that the report should be brief and uncomplicated. Any deviations from the budget and project benefits should be explained in the report. He added that it should be explained if the O&M cost increase would result in an increase in benefits.

Mr. Hartman suggested that the agencies provide the original cost, the revised cost for the requested increment of funding, the revised fully funded cost accounting for expenditures to date and anticipated through the remaining life of the project, and an analysis of existing data to determine if the project is producing the intended benefits of the approved project. Mr. Hartman does not want to continue to make decisions to fund projects if data shows the project is not functioning well.

Mr. Clark agreed with Mr. Hartman that the information needed has not been submitted thus far. The report should include the original O&M budget, the remaining O&M funds, the revised fully funded O&M cost estimate, the percent cost increase over the original budget, the project benefits according to the WVA when the project was approved, the actual benefits realized to date, and the updated project benefits with and without continued O&M.

Mr. Duszynski suggested that Ms. Goodman and Mr. David Burkholder, LDNR, work together to prepare a standardized format for presenting this information. Existing data can be used to do yearly O&M reports but some projects may not have all the information needed. If the existing information isn't enough then at some point the Technical Committee may want to discuss performing additional evaluations.

DECISION: The P&E Subcommittee, working with Mr. Burkholder will prepare a standardized format for requesting O&M funding increases and present this to the Task Force at the June 2007 meeting.

13. Agenda Item 11: Report: Presentation on the Standard Operating Procedures for Checks and Balances for Determining Benefits and Updating Cost Estimates (Roy and Petitbon). As requested at the February 15, 2007 Task Force Meeting, the workgroup chairmen will make a short presentation on the SOP procedures related to benefits and cost estimates. Mr. Roy and Mr. John Petitbon, Corps, presented the steps taken during the Workgroup/Interagency review of benefits and cost estimates.

Mr. Kevin Roy, FWS, indicated that Phase 0 project evaluations include benefits assessment. A preliminary assessment of benefits is prepared by the project sponsors for all selected project nominees and is reviewed by the Environmental Workgroup. After the 10 candidate projects are selected, the project sponsors prepare another benefits analysis utilizing the WVA methodology. The Environmental Workgroup reviews and provides comments on the draft WVA and all supporting information. The final WVA for the candidate project is presented at the time of Phase I approval.

Mr. Petitbon said that costs estimates during Phase 0 for all selected nominees are reviewed by the Engineering Workgroup. More detailed costs estimates are performed on candidate projects. The Engineering Workgroup reviews all supporting data and calculations and comments on the draft cost estimate. A final cost estimate is submitted for Phase I approval.

Mr. Roy said that a re-evaluation of benefits may occur in Phase I. If there is a 25 percent change in project scope in terms of acres benefited or the ratio of total cost to benefits, the Technical Committee and Task Force must be notified. At the 95 percent design review, the Environmental Workgroup reviews and approves the WVA, which is a requirement of the SOP Phase II checklist.

Mr. Petitbon said projects selected for Phase I must have a preliminary design report, which requires a revised construction cost estimate based on the current preliminary design. Any changes in project scope of 25 percent or more, in terms of total project cost or the ratio of total cost to benefits, must be reported to the Technical Committee and Task Force. A revised construction cost estimate is required at the 30 percent design review, while a revised fully funded cost estimate is required at the 95 percent design review. The revised fully funded cost estimate must be reviewed by the Engineering Workgroup as required by the SOP Phase II checklist.

14. Agenda Item 12: Additional Agenda Items (Constance). There were no additional agenda items.

15. Agenda Item 13: Date of Upcoming Task Force Meeting (Goodman). Ms. Goodman announced that the next Task Force meeting will be held June 27, 2007 at 9:30 a.m. at the US Army Corps of Engineers in New Orleans, LA.

16. Agenda Item 14: Scheduled Dates of Future Program Meetings (Goodman). Dates and locations of future program meetings through February 2009 can be found on the agenda.

17. Adjourn. Mr. Constance adjourned the meeting at 11:15 a.m.