

Fargo-Moorhead Metropolitan Flood Risk Management Project

Flood Diversion Board of Authority meeting

May 9, 2013



US Army Corps of Engineers
BUILDING STRONG®



Presentation Outline

- Monthly Update
- Design Agreement Amendment Number 1
- NEPA Path Forward
- Federal funding
- Water Resources Development Act of 2013

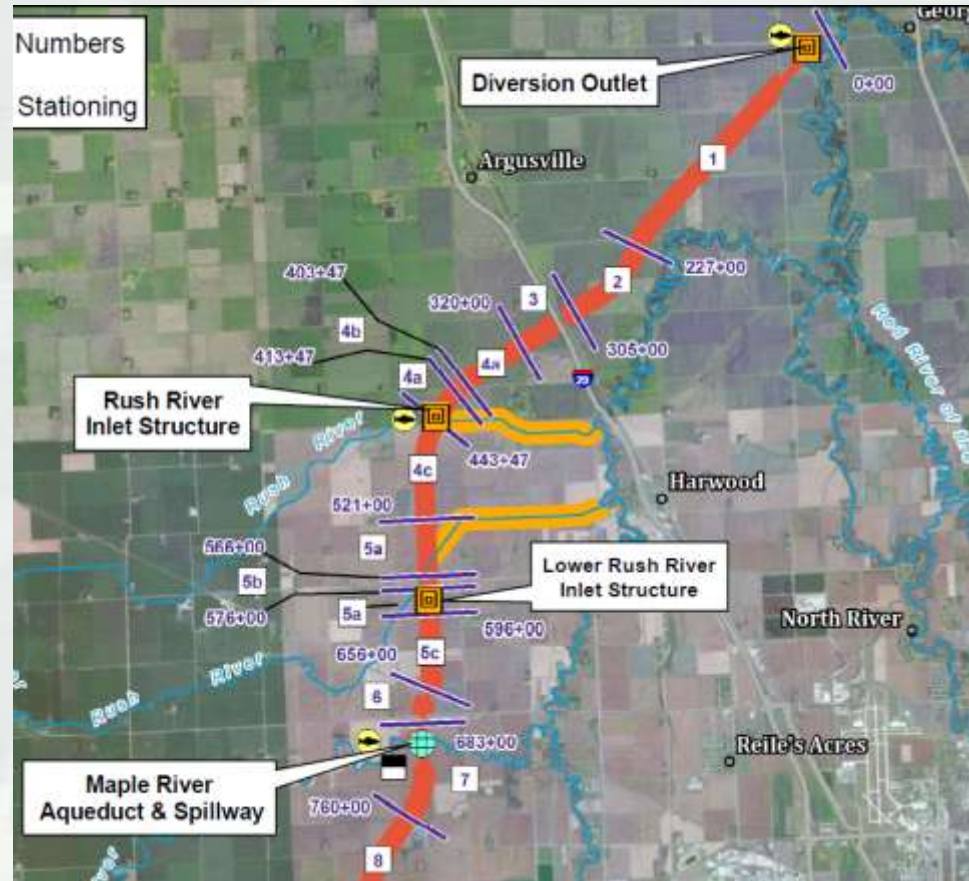


Fargo-Moorhead - 2009



Corps Monthly Update

- Design work continues on Outlet to Reach 4.
- Reach 5 and Lower Rush structure design was paused.
- Continuing National Environmental Policy Act (NEPA) process to address project modifications.



Design Agreement Amendment Number 1

- Design Agreement was executed on September 12, 2011
- Amendment will:
 - ▶ Allow the non-federal sponsors to accelerate funds to the Corps
 - ▶ Add the Diversion Authority as a Non-Federal Sponsor to the agreement
- Coordinated agreement amendment language with Non-Federal Sponsors' legal counsel
- Estimated time to execute the amendment – August 2013



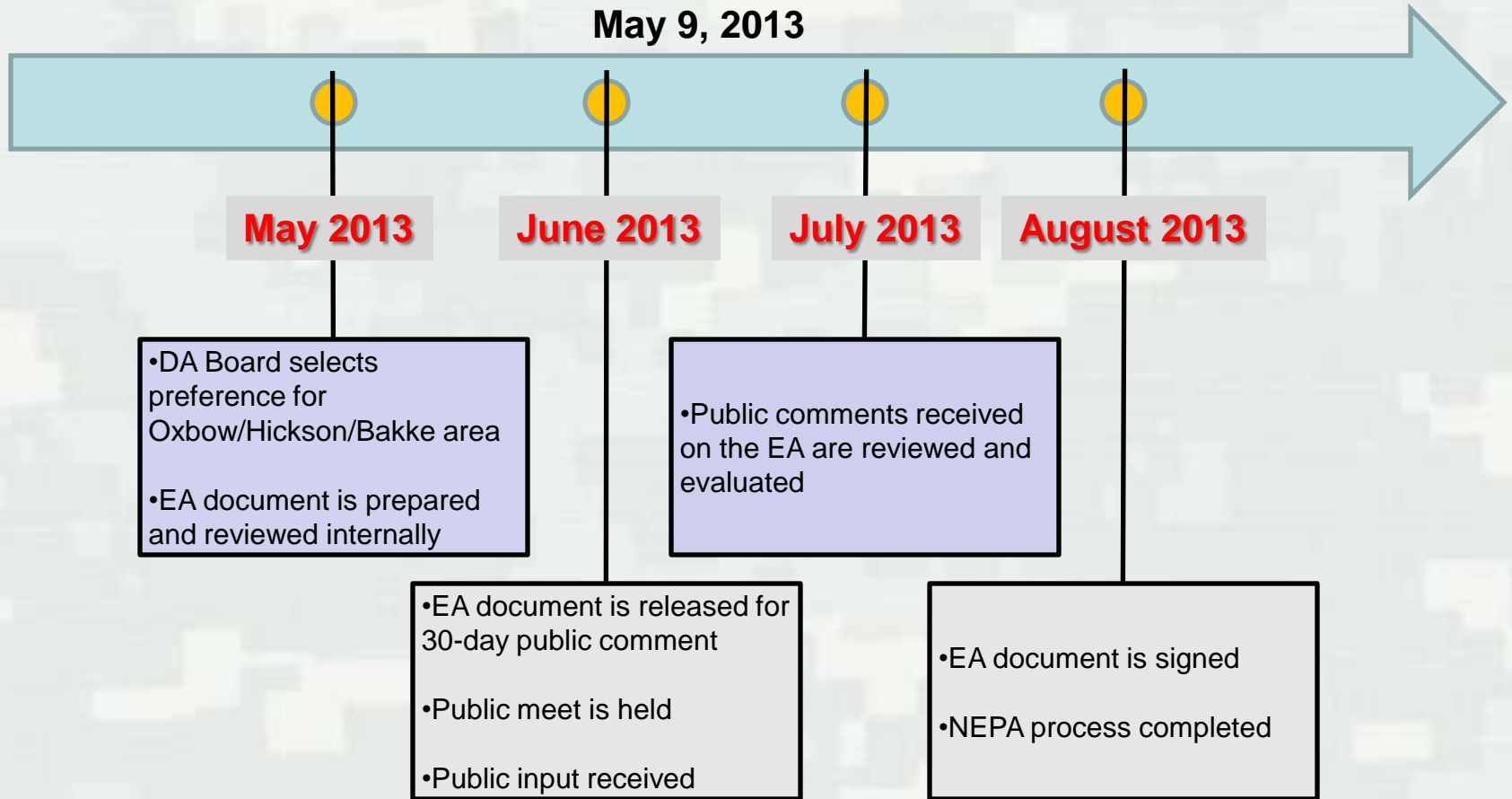
National Environmental Policy Act (NEPA) - Path Forward

- November 2012 – May 2013: Corps develops Supplemental Environmental Assessment (EA) document
- May 2013: Diversion Authority submits its preference for Oxbow/Hickson/Bakke area.
 - ▶ Buyout
 - ▶ Ring Levee
- June 2013: EA document released, 30-day comment period and public meeting
- August 2013: NEPA process complete and decision is finalized



Post-Feasibility/NEPA Actions and Decisions Timeline

May 9, 2013



Federal Funding

- President's 2014 budget does not include funding for FMM project.

| Fiscal Year | President's Budget (\$) | Actually Received (\$) |
|--------------------|--------------------------------|-------------------------------|
| 2008 | 0 | 600,000 |
| 2009 | 0 | 667,000 |
| 2010 | 0 | 3,582,000 |
| 2011 | 15,150,000 | 10,000,000 |
| 2012 | 12,000,000 | 11,140,000 |
| 2013 | 5,000,000 | ??? |
| 2014 | 0 | ??? |

- Congress still has option to fund in FY14
- Fiscal year 2013 (Oct 1, 2012 to Sept 30, 2013) – still waiting on official funding number.



Federal Funding

- Fiscal year 2013 – (Oct 1, 2012 to Sept 30, 2013)
 - Corps will continue design efforts on:
 - Outlet/Reach 1
 - Reach 2
 - Reach 3 Coordination
 - Reach 4
 - Rush River Structure
 - Drayton Dam fish passage
 - Corps' Supplemental EA
 - Support MN State EIS
 - Reviews of in-town levees and Oxbow Area levees (if approved and subject to Diversion Authority funding)
 - Design efforts paused until additional funds available:
 - Wild Rice Dam fish passage
 - Buffalo River restoration
 - Reach 5
 - Lower Rush River Structure
 - Maple River aqueduct physical model



Proposed Water Resources Development Act of 2013

- Congressional Budget Office Cost Estimate, April 9, 2013
- Title I – Water Resource Projects
 - Based upon criteria in the Act, 27 projects meet the criteria
 - Four largest projects are:
 - Mississippi Coastal Improvement Program
 - American River Watershed Common Features Project in Natomas Basin, California
 - Sabine Neches Waterway in Texas and Louisiana
 - Fargo-Moorhead Metro in Minnesota and North Dakota
 - All four combined have an estimated total cost of \$5.6 billion
 - Federal share is approximately \$3.3 billion



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 9, 2013

S. 601 Water Resources Development Act of 2013

*As ordered reported by the Senate Committee on Environment and Public Works
on March 20, 2013*

SUMMARY

S. 601 would authorize the Army Corps of Engineers (Corps) to construct water projects for mitigating storm damage, restoring ecosystems, and reducing erosion on inland and intracoastal waterways. The legislation also would authorize the agency to establish grant programs to assist local and state governments with levee safety and rehabilitation programs. Finally, S. 601 would authorize the Corps and the Environmental Protection Agency (EPA) to provide loans or loan guarantees to state and local governments and certain nongovernmental entities to complete water infrastructure projects.

Assuming appropriation of the authorized and necessary amounts, including adjustments for anticipated increases in construction costs, CBO estimates that implementing S. 601 would cost about \$5.9 billion over the 2014-2018 period. Spending would continue from amounts authorized to be appropriated under the bill after 2018, and CBO estimates that such spending would total \$6.6 billion over the 2019-2023 period.

The staff of the Joint Committee on Taxation (JCT) estimates that enacting the bill would reduce revenues by \$135 million over the next 10 years, therefore, pay-as-you-go procedures apply. Enacting the bill would not affect direct spending.

S. 601 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Public and private entities would be required to comply with regulations to prevent the spread of invasive species. Because the number of affected entities and the cost of compliance would probably be small, CBO expects that the costs of the mandates would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$75 million and \$150 million in 2013, respectively, adjusted annually for inflation).



Proposed Water Resources Development Act of 2013

- Mississippi Coastal Improvement Program
 - Project Type: Hurricane and storm damage reduction, Shoreline erosion, Saltwater intrusion, and Fish and wildlife preservation.
 - Federal Cost: \$753,667,250
 - BC Ratio: No benefit-to-cost ratios will be calculated as per the Congressional language authorizing this study.

- American River Watershed Common Features Project in Natomas Basin, California
 - Project Type: Flood Risk Management
 - Federal Cost: \$930,999,000
 - BC Ratio: 2.6 (@7% - report to congress)

- Sabine Neches Waterway in Texas and Louisiana
 - Project Type: Navigational, Channel and Harbor, Dredging, Marsh Restoration
 - Federal Cost: \$707,000,000
 - BC Ratio: 1.3

- Fargo-Moorhead Metro in Minnesota and North Dakota
 - Federal Cost: \$810,000,000
 - BC Ratio: 1.5 (@7%)

