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DEPARTMENT OF THE ARMY

U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CECW-PG

24 JUL 2001

MEMORANDUM FOR COMMANDER, Mississippi Valley Division

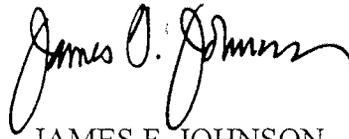
SUBJECT: Implementation Guidance for Section 323 of the Water Resources Development Act of 2000 (WRDA 2000) – New Madrid County, Missouri

1. Section 323(a) of WRDA 2000 authorizes the project for navigation, New Madrid County Harbor, Missouri, carried out under Section 107 of the River and Harbors Act of 1960 as described in the feasibility report for the project, including both phase 1 and phase 2 of the project. Section 323(b) of WRDA 2000 states that the Secretary shall credit toward the non-Federal share of the cost of the project the costs of construction work for phase 1 of the project carried out by the non-Federal interest if the Secretary determines that the work is integral to the New Madrid County Harbor, Missouri project. A copy of section 323 is enclosed for your information.
2. Since Section 323(a) of WRDA 2000 specifically authorizes both phases 1 and 2 of the project, it will no longer be executed as a section 107 project. A supplement to the decision document should be prepared by the Memphis District, including an assessment of the construction costs claimed by the non-Federal sponsor for work that preceded the PCA for phase 1. The decision document must include a section titled Crediting Documentation. This section must include the necessary information to determine whether any construction work performed and/or financed by the non-Federal interest for phase 1 is integral to the New Madrid County Harbor project. The information must include an estimate of all sponsor construction costs to determine which are creditable costs. The source of any funds not originating from the sponsor must be identified. Since phase 1 of the project was completed by the non-Federal interests, credit should be afforded against the non-Federal sponsor's share of the project cost. A refund of cash overpaid by the non-Federal sponsor is approved. Following a technical review, the decision document must be submitted to CECW-B for HQUSACE policy compliance review and transmittal to the ASA (CW) for approval. Upon approval of this document an amendment to the existing PCA should be prepared and forwarded for HQUSACE and ASA (CW) approval. The project is subject to normal budget policy.
3. The credit for prior work may be afforded during the first year after the PCA amendment is executed or after the work is completed and the costs are audited,

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whichever occurs later. Credit will be based on reasonableness, allocability and allowability of costs. The total amount of credit shall not exceed the non-Federal share. Reimbursement for the value of work which may exceed the non-Federal share of project costs is not authorized.

FOR THE COMMANDER:



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

Encl

SEC. 323. NEW MADRID COUNTY, MISSOURI.

(a) IN GENERAL- The project for navigation, New Madrid County Harbor, New Madrid County, Missouri, carried out under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), is authorized as described in the feasibility report for the project, including both phase 1 and phase 2 of the project.

(b) CREDIT- The Secretary shall credit toward the non-Federal share of the cost of the project the costs of construction work for phase 1 of the project carried out by the non-Federal interest if the Secretary determines that the construction work is integral to the project.

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