

Locks and Dams 2, 3, and 4 Monongahela River, PA (Lower Mon Project) Inland Waterways Users Board

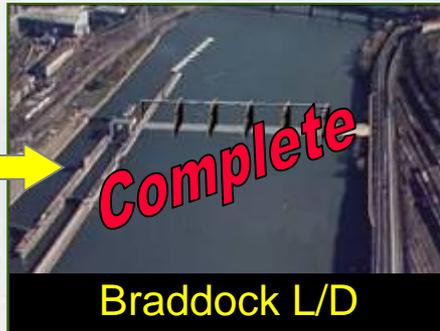
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May 2014



US Army Corps of Engineers
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Lower Mon - Project Description



- Major Project Features
 - New Dam at Braddock
 - New Locks at Charleroi
 - Dredging
 - Removal of Locks and Dam 3
 - Relocations



Lower Mon - Project Costs

Authorized Cost (1992)	\$556 million
Authorized Cost Inflated (2015)	\$1,650 million
Current Cost Estimate (2015)	\$1,661 million
Fully Funded Cost Estimate	\$2,773 million
902(b) Project Cost Limit	\$1,761 million

- Certified cost estimate (80% confidence)
 - 19 March 2014
 - Includes risks
- \$633 million allocated to date
- \$1.2 billion below 902 limit
- Fully funded cost reflects
 - IWTF revenue / Olmsted schedule - **adds \$185 million**
 - Charleroi Land Chamber deferment into 2050s - **adds \$797 million**



Lower Mon - Project Schedule (*1)

Major Feature Construction	Start	Complete
Charleroi Dam Stilling Basin	2016	2018
Charleroi River Chamber Completion	2022	2027
Dredging Pool 3	2026	2028
Relocations	2026	2029
Lock and Dam 3 Removal	2027	2027
Charleroi Land Chamber	2054	2059

- Schedule based on best available information – Nov 2013
- Assumes no change to IWTF cost share requirements (*1)
- **Over 90% of project benefits achievable**
 - Inclusive of items in red
 - Without exceeding 902(b) limit
- Deferment of Land Chamber
 - Allows other IWTF projects to be constructed sooner
 - Staggers major rehabilitation and/or recapitalization while maintaining reliable navigation

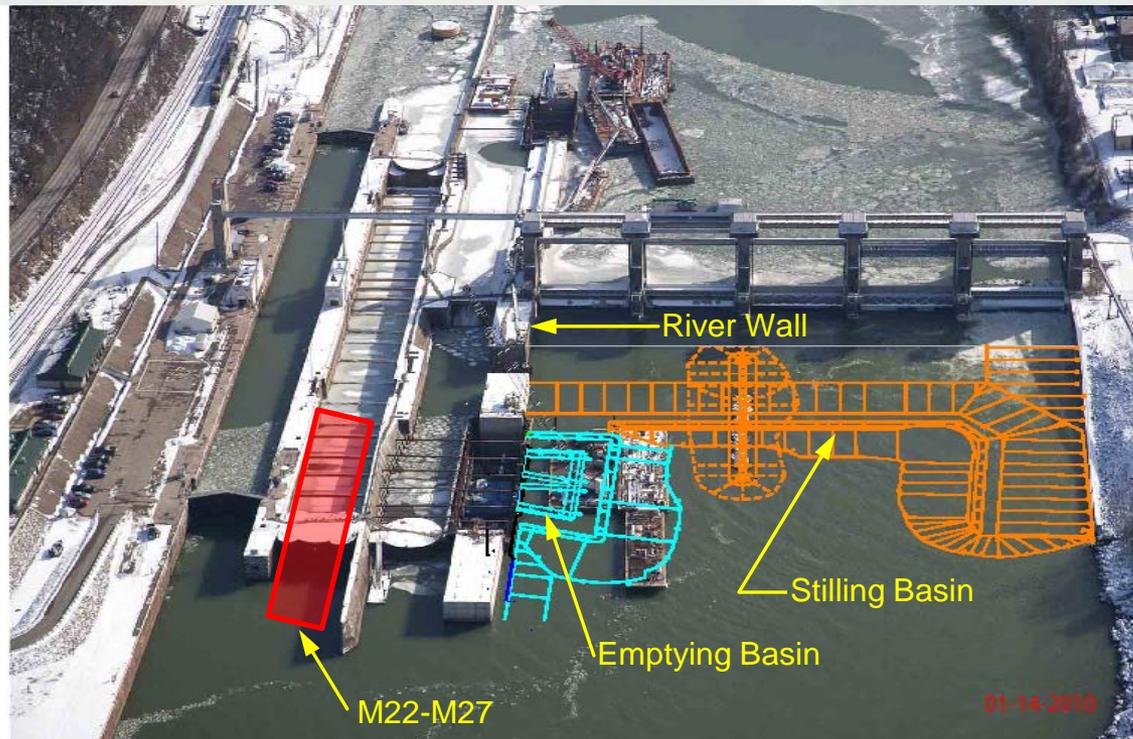


*1 Assumes no change to the current IWTF cost share requirements



Lower Mon - Ongoing / Pending Construction

Major Feature Construction	Award	Complete
Charleroi River Wall	2004	2014
Charleroi Emptying Basin	2013	2015
Charleroi Middle Wall (M22-M27)	2014	2018
Charleroi Dam Stilling Basin (next contract)	2016	2019



Locks and Dams 2, 3, and 4, Monongahela River, PA

Total Project Cost: \$2,733M*	CG	IWTF	Total
FY13 Allocation:	\$12,605,000**	\$11,094,000	\$23,699,000
FY14 Allocation:	\$37,337,500	\$37,337,500	\$74,675,000
FY15 Budget:	\$4,516,000	\$4,516,000	\$9,032,000

** Includes ARRA FY13 Allocation: (\$1,510,007)

Remaining Balance:	\$1,045,622,500	\$1,045,622,500	\$2,091,245,000
Remaining Balance Change From Last Meeting			\$888,633,000

Note *: Cost and Schedule data reflect the FY2015 cost Update & 902 Limit Calculations, Fully Funded

Changes

- Remaining balance increased with FY2015 certified cost. Major increases due to delay of project features (\$185 million) associated with the IWTF and deferment of Charleroi Land Chamber construction (\$797 million) until late 2050's
- FY2014 allocation was \$72,715,000 higher than FY2014 budget amount.

Current Status of the Project

- Cost Share Status: \$6.25M out of balance
- FY2014 Award of Charleroi M22-M27

Next Steps

- Charleroi stilling basin extension contract
- Charleroi river chamber completion



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Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete	Project Benefits	Capitalized Cost Closeout
Charleroi River Wall	1-Oct-95	27-Sep-04	30-Sep-14 S		
Charleroi Emptying Basin	1-Oct-95	30-Sep-13	26-Dec-15 S		
Charleroi River Chamber (M22-M27)	1-Oct-95	19-Sep-14 S	2018		
Charleroi Dam Stilling Basin Extension	1-Oct-95		Funding + 3 years		
Charleroi River Chamber Completion	1-Oct-95		Funding + 5 years		
L/D 3 Removal	TBD		Funding + 1.5 years		
Dredging	1-Oct-95		Funding + 3 years		
Municipal Relocations	1-Oct-93		Funding + 5 years		
Port Perry Bridge Relocation	1-Oct-95		Funding +5 years		
Charleroi Land Chamber *1	TBD		Funding + 6 years		

*1: 90 % of project benefits can be achieved without constructing the Charleroi Land Chamber



Lower Mon - Questions

