



US Army Corps of Engineers
BUILDING STRONG.

Inland Waterways Users Board Meeting No. 100
Paducah-McCracken County Convention and Expo Center –
Cumberland-Mississippi Rooms
Paducah, Kentucky

July 20, 2023

Minutes
Inland Waterways Users Board
Meeting No. 100

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Cumberland-Mississippi Rooms
Paducah, Kentucky

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The following proceedings are of the 100th Meeting of the Inland Waterways Users Board held on the 20th of July 2023, commencing at 9:00 a.m. This is the second meeting of the Inland Waterways Users Board held in 2023. Mr. Spencer Murphy, Chairman of the Inland Waterways Users Board presiding. Inland Waterways Users Board (Board) members present at the meeting included the following:

MR. MARTIN T. HETTEL, Board Member, American Commercial Barge Line LLC (ACBL).

MR. DAMON S. JUDD, Board Vice Chairman, Marquette Transportation Company LLC.

MR. W. SPENCER MURPHY, Chairman, Canal Barge Company, Inc. (CBC)

MR. DENNIS OAKLEY, Board Member, Bruce Oakley, Inc.

MR. LANCE M. RASE, Board Member, CGB Enterprises, Inc.

MS. CRYSTAL D. TAYLOR, Board Member, Ingram Barge Company.

MR. JEFF WEBB, Board Member, Cargill, Inc., Cargo Carriers, Cargill Marine & Terminal.

MR. W. MATTHEW WOODRUFF, Board Member, Kirby Corporation.

Board member MR. TIMOTHY POWER of SCF Marine, Inc. was represented by Mr. THOMAS HORGAN.

Board Members not in attendance were MR. DAVID LOOMES of Continental Cement Company, and MR. ROBERT D. RICH of Shaver Transportation Company.

Also present at the meeting were the following individuals serving as observers of the activities of the Inland Waterways Users Board, designated by their respective Federal agencies as representatives:

MR. JAIME A. PINKHAM, the Principal Deputy Assistant Secretary of the Army for Civil Works, Headquarters, Department of the Army, Washington, D.C.

MS. TRETHER CHROMEY, Deputy Associate Maritime Administrator for Ports and Waterways, U.S. Department of Transportation, Maritime Administration (MARAD).

MR. RICHARD HENDERSON, Transportation Services Division, U.S. Department of Agriculture (USDA).

The Office of Coast Survey, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce, Silver Spring, MD was not represented.

Official representatives of the Federal government responsible for the conduct of the meeting and providing administrative support to the Inland Waterways Users Board from the U.S. Army Corps of Engineers were as follows:

MAJOR GENERAL (MG) WILLIAM H. GRAHAM, Users Board Executive Director and Deputy Commanding General for Civil and Emergency Operations, Headquarters, U.S. Army Corps of Engineers, Washington, D.C.

MR. MARK R. POINTON, Executive Secretary and Designated Federal Officer (DFO), Inland Waterways Users Board, U.S. Army Corps of Engineers, Institute for Water Resources, Alexandria, Virginia.

MR. THOMAS P. SMITH, Chief of Operations and Regulatory Division, Headquarters, U.S. Army Corps of Engineers, Washington, D.C.

MR. ALEXANDRA L. SCHAFER, Alternate Designated Federal Officers (ADFO), Inland Waterways Users Board, U.S. Army Corps of Engineers, Institute for Water Resources, Alexandria, Virginia.

MS. TIFFANY S. BURROUGHS, Chief, Navigation Operations, Headquarters, U.S. Army Corps of Engineers, Washington, D.C.

MR. DAVID A. FRANTZ, Inland Navigation Program Manager, Navigation Operations, Headquarters, U.S. Army Corps of Engineers, Washington, D.C.

Program speakers in scheduled order of appearance were as follows:

Mr. Mark R. Pointon, U.S. Army Corps of Engineers, Institute for Water Resources, Inland Waterways Users Board Designated Federal Officer (DFO) and Executive Secretary.

Lieutenant Colonel (LTC) Robert W. Green, U.S. Army Corps of Engineers, Nashville District, Commander.

MG William H. Graham, U.S. Army Corps of Engineers, Headquarters, Users Board Executive Director and Deputy Commanding General for Civil and Emergency Operations.

Mr. W. Spencer Murphy, Chairman, Inland Waterways Users Board, Canal Barge Company, Inc.

Ms. Tiffany S. Burroughs, U.S. Army Corps of Engineers, Headquarters, Operations Division, Chief, Navigation Section.

Mr. Patrick A. Chambers, U.S. Army Corps of Engineers, Mississippi Valley Division, Chief, Operations and Regulatory Division.

Mr. James T. Shibata, U.S. Army Corps of Engineers, Pittsburgh District, Chief, Programs and Project Management Branch.

Mr. Christopher T. Dening, U.S. Army Corps of Engineers, Pittsburgh District, Program Manager for Mega Projects.

Ms. Elizabeth M. Burks, U.S. Army Corps of Engineers, Nashville District, Chief, Integrated Project Office (IPO).

Mr. Matthew G. Coffelt, U.S. Army Corps of Engineers, Rock Island District, Deputy for Program Management.

Mr. Andrew J. Goodall, U.S. Army Corps of Engineers, Rock Island District, NESP Program Manager.

Mr. Jose R. Lopez, U.S. Army Corps of Engineers, St. Louis District, NESP Mississippi River L&D #25 Program Manager.

Mr. Andrew R. Weber, U.S. Army Corps of Engineers, Galveston District, Project Management.

Mr. Jonathan A. Gillip, U.S. Army Corps of Engineers, Little Rock District, Project Manager.

Mr. Brad Inman, U.S. Army Corps of Engineers, New Orleans District, Chief of Projects Branch.

There were no public comments made during the public comment period of the meeting, and no written public comments were submitted for the record.

PROCEEDINGS

MR. MARK POINTON: Good morning, ladies and gentlemen, thanks for being here. This is the 100th meeting of the Inland Waterways Users Board meeting.

That's right. I didn't get an extra zero digit on there, this is the 100th Meeting. I've been doing a lot of them, but not all 100, so haven't been around quite that long. My name is Mark Pointon, I'm the Designated Federal Officer for the Inland Waterways Users Board. We've been in Paducah a few times before. We were in Kentucky yesterday, so I looked it up. Last time we came to meet in Paducah was in August of 2018, so not quite five years ago, last time we came down to Paducah. The focus then was the dedication for the new Olmsted Locks and Dam. But we did also do it for the Kentucky Lock, and what we saw yesterday was considerably different than what we saw five years ago. And I mean that in a very positive way. There's been a lot of progress done on that project in the last five years. I don't know, I'm totally appreciative of the weather clearing up yesterday afternoon. I can't even begin to express how thankful I am that we decided to do that tour in the afternoon yesterday instead of in the morning, because we were debating that, when we were setting this meeting up. So that worked out real well from a weather angle.

And I'd like to thank all the staff. There was a lot of Nashville District staff, and the Kentucky Lock Project staff there. I want to thank them all, they did a fantastic job. That was a fabulous tour. It's up there with the best ones that we've had over the years, of a lot of our lock projects, in association with these Board meetings.

Before we begin the meeting, I'm obliged to read for the record, that the Users Board was created pursuant to Section 302 of the Water Resource Development Act of 1986, so it is a legislative federal advisory committee.

It provides the Secretary of the Army and Congress with the recommendations on funding levels and priorities for modernization of the inland waterways system.

The Board is subject to the rules and regulations of the Federal Advisory Committee Act of 1972, as amended. This is a Sunshine Government Act meeting, and as such, it is open to the public. We do have a lot of people here today. I know we had to add some extra chairs, so I appreciate that we have a really robust audience today.

The U.S. Army Corps of Engineers (USACE) is the sponsor of the Board, and it provides it with the executive director, which currently is Major General Graham, and the DFO (Designated Federal Officer), and for all the normal operating activities.

I have no requests currently to make public comments at the end during the public comment period, and I did not receive any statements for the record. So, if anyone is inclined to make a public comment at the end of the day, end of the meeting, feel free to see me at the break, or shoot me a little note requesting to make a brief public comment -- verbal comment.

These proceedings are being recorded, and a record of the meeting will be available after the meeting. We've got some various presentations. We're going to run the presentations centrally, like we've done in the past. There is no podium, per se, so the presentations will probably be performed by the presenters at their table. We have a mic that they'll be using. So, if anybody wants to get up and wander around up there in the front, they're welcome to. I'm sitting here at my little spot right here, when I give my presentation, so I'm not a roamer.

I'd like to turn the floor over to the 68th Commander of the Nashville District. We've got Lieutenant Colonel Green here. So, if you want to make some brief comments, sir?

LIEUTENANT COLONEL (LTC) ROBERT GREEN: Yes. Thank you, sir. So, members of the Board, ladies and gentlemen, I want to welcome you to Paducah, to the Nashville District. We're honored and humbled to be hosting here again. Been five years, you mentioned, since we've been here and had the opportunity to host you here.

One of my leaders, a long time ago, told me that I can only speak to my scope and responsibility, not talk to things above my pay grade. So, I'll talk about the Nashville District.

For the Nashville District in particular, we believe partnerships are incredibly important. Everything we do is through partnerships, whether that's through partnerships with the public, with our local authorities or elected representatives, through our partners in industry, or through our contractors that help us to

deliver these projects, that we got an opportunity to tour yesterday. Meetings like this are a prime example of what effective partnerships can be. Through transparency, through mutual accountability, we're able to deliver for the region, and for the public at large.

So, I thank you for all coming here today to help participate in this. I think this all makes us better. I think we have a great series of presentations coming up here today. And if there is anything we can do to help facilitate this, we have our key staff around here.

Captain Joe Cotton over here, Lieutenant Travis Lee is over in the far corner. If there's anything, anything you need to help facilitate this meeting, please pull any of us aside, and we will be happy to do whatever is in our power to help you be effective in this meeting.

So, thank you for having us today.

MR. POINTON: Thank you. General, trying to get out of the meeting?

MAJOR GENERAL (MG) WILLIAM "BUTCH" GRAHAM, JR.: Okay. All right. Well, good morning, everybody. Rob, thanks for the great work that the Nashville team has done, it was a superb tour yesterday. We talk about we can look at the PowerPoint slides, but until we speak to the professionals that are doing the hard work and understand directly what they're doing, the complexity of what they're doing, the professionalism with which they do it, some things get lost. So that was really powerful, and thanks for all the hard work. A tour that ran that smoothly, that didn't happen by accident. So, there was an awful lot of prep work that went into that. And I was out this morning running, and I saw your team here at O-dark-whatever, getting this place set up. So, thanks to the Nashville team for all of that. The 100th Users Board Meeting -- and, Marty, you said you weren't here at the beginning?

MR. MARTIN HETTEL: No, sir, I was not.

MG GRAHAM: Okay. I was not either.

MR. HETTEL: Matt Woodruff -- Matt might have been.

MG GRAHAM: Okay. But as the Nashville Commander spoke to -- he said this is a partnership. This is an accountability drill. That goes both ways. We've got to understand what's important to industry, you've got to understand what's important to us. And then we've got to work together to steward and safeguard this amazing piece of the nation's critical supply chain. This amazing competitive advantage this country has, known as it's Inland Marine Transportation System. For the rest of the Federal Observers that are here, thanks for joining us. And it's great to have you here because it takes full partnership with the federal government as well, to make sure that this system is run well, and used to its utmost, so thanks. Thank you to both for being here.

We turn this over to Principal Deputy for the Assistant Secretary of the Army for Civil Works, Mr. Jaime Pinkham.

MR. JAIME PINKHAM: Good morning, everyone. Chairman Murphy, thank you for allowing me to join you once again for this meeting, and it being the centennial meeting, too, makes it extra special.

Mr. Connor, now we've got split duties, and yesterday he was at Soo Locks with the Wall Street Journal. We're optimistic that we're going to get a good story out of that, but we all know the challenges that our navigation system faces. And it is important, I think, as General Graham alluded to, is that we're working together to try to establish the narrative.

This is not just one party telling the story, but it's us doing it together. I was grateful for yesterday's tour, so a shout-out to the Nashville District. And the dialogue that occurred throughout the day, even at dinner last night, about the challenges we face. We're developing a system that's adapting to the climate, that we want to be more resilient, but there's some other pressures that are out there around labor forces and competitiveness, and that may mean that we bring new partners into the discussion on how we prepare these systems for the future. The last time I was with you was when we were in Galveston, and front and center with the Mississippi low river challenges that we're facing, and they're coming early this year.

Yesterday, our team briefed the National Economic Council on this, so the White House has eyes on this. We'll continue to give them updates as necessary, as this evolves. And certainly, your collaboration last year, I think, made a tremendous difference. This could have gone really sideways, but even in tough times, this partnership sits together with the cards that were dealt. So, I appreciate that.

Over the past year, Mike (the Honorable Michael L. Connor) has been out on the ground and celebrating some successes, and then one is NESP (Mississippi River-Illinois Waterway Navigation and Ecosystem Sustainability Program). We've got a system that we're investing in, not just for navigation, but also for fish passage. We had Lock and Dam 23, Lock and Dam #25. I'm looking forward to going back to Montgomery Lock and Dam. Perhaps Mitch Landrieu will join me again. We celebrated the BIL (Bipartisan Infrastructure Law) funding that went to it. This year, we will go back for groundbreaking, and we know the challenges that are there, and we're working to fine-tune our processes. We always got to fine-tune our engineering and fine-tune our costs, I mean, that just screwed the business, and stay up to date. We're looking forward to having an event out at the Three Rivers project. Hopefully real soon, maybe even in next month.

The other thing, it always seems like at Army Civil Works, we're in this rule-making process, and a big one for us, and I mentioned this when we were in Galveston, is developing agency-specific procedures around our principles, policy requirements, and guidelines. A major rule-making effort for us.

We've got it cleared by the Defense Department, and which is now at OMB (Office of Management and Budget). The OMB is scrubbing it, going to an inter-agency review, and we're hopefully that very soon, we're hopeful that we'll have a draft rule out, and we really need your comments on this. And then this is really to help bring us up to speed with the other water management agencies and making sure that we look at the variety of benefits, that the infrastructure that you're helping us invest in, provides benefits maybe just beyond navigation. But what are we doing, and when it comes to social justice, environmental justice, and fairness. So, we ask you to engage in this process as we go forward.

You know, I graduated from Oregon State, and I was a forester, and so I wore suspenders, and this vest stuff with orange flagging, and I measured my success by board feet acres and stumpage values, but that didn't measure the wellness of the community, or the impact to the environment that creates healthy

communities. And so we want to do a better job, and then giving our friends at the Corps some stronger direction, and top cover in looking at comprehensive benefits.

So, I ask you keep an eye out for that. I actually just wanted to talk a little bit -- not long -- after I was with you, I was down with Colonel Cullen Jones in New Orleans, looking at a couple of projects. We were there, for one, was groundbreaking at the Charenton Floodgates. Now, when I was looking last time, you told me, don't forget about the importance of recreation in a navigation system, and here you've got a floodgate, which is a lead point in the Atchafalaya Basin. But these floodgates were well checked over a couple of decades, which has prevented recreational traffic, but also the Chitimacha Tribe, who's a partner in this work, who's prevented them from going into the basin to harvest. And I was talking with Brad Inman there, and when we were there, the secretary treasurer of the Tribe invited us over to this incredible crayfish broil -- boil. I don't know if you say crayfish or crawfish down here.

MR. SPENCER MURPHY: Crawfish.

MR. PINKHAM: Crawfish. Okay. Thanks, Spencer. Crawfish boil, just phenomenal. So, reopening this gate is not only important for the community, for recreational purposes, but also for the Tribe, for their cultural practices. And while I was there, I also asked to visit the Industrial Canal Lock, which I know is important on your agenda because of the role it plays in the Gulf Intracoastal Waterway. And I'll be honest with you, I took a call from community members who were concerned about it, its replacement, you know, and I've got to sit there, I've got to listen. But the best thing for me was after the call, I got down to New Orleans to spend time with Colonel Jones, looking at the issue. And this is a place where, you know, we've got to rebuild a reputation with the local community after Hurricane Katrina, and what happened, and we actually went into the Lower Ninth Ward. But what was great is, as we talked over dinner last night, your investments, on bringing people in to reestablish relationships with the neighbors who live there, it's critical. And so, I feel optimistic about bringing these trusted voices into these conversations, to build these bridges, or to amend those that have weakened.

And I bring up Chitimacha Tribe and the Industrial Canal for a couple of reasons, and that is because Colonel Jones is watching this Comprehensive Lower Mississippi River Study, looking at all the equities, from storm and flood risk, to navigation, to ecosystem restoration, water supply, hydropower, recreation, and even more, starting from Cape Girardeau all the way down to the mouth of the Mississippi. And we'll need your help as we put this comprehensive study together. And when I was with Colonel Jones, I was quizzing him about, you know, you've got this complex system of infrastructure, and you've got places that are heavily engineered or even heavily populated. And I said, how do you harmonize all of this together, you know, make communities feel safe and prosperous? And you overlay that with this complex mixture of governments from the parachute of local governments, to states to even tribes acting on the behalf of their own constituents, with their own decision-making processes. And as we're going through the discussion, he was sharing with me that since the Great Flood of 1927, about \$20 billion has been put into the Mississippi, and that's prevented about \$2.7 trillion, in damages. I mean, that's for every \$1 that's spent, we've come out with \$131 of benefit. I mean, gosh, that's impressive. But as we we're talking, you know, we acknowledge that harmonizing also means that we deliver equity and provide balance and fairness to those communities that remain most at risk. For those communities whose voices we often overlook. So, you've got a network that's extremely valuable for this conversation, your neighbors, your employees, and others.

So, I'm asking you for your ongoing help as we look at the comprehensive study, as we look at the

principles, requirements, and guidelines, is helping us bring those voices to the table. They're part of the partnerships I know that you have, and they're partnerships that we need to strengthen as well, too. So, I'm looking forward to this conversation.

My apologies, I've got to rush, and I can only spend a couple of hours with you. I've got to catch a flight out to South Dakota this morning. But thank you for your time and attention.

MG GRAHAM: Okay. Mr. Pinkham, thanks for those comments. And Oregon State, that's the Ducks, right?

MR. PINKHAM: No comment. Not going to get into that with you again. Okay. All right, Mark.

MR. POINTON: All right, thank you, sir. We're going to move into -- we've got a couple of other federal observers here today from each Department of Agriculture (USDA) and from the Maritime Administration (MARAD).

So let me go to Richard Henderson first, from the Department of Agriculture. Sir?

MR. RICHARD HENDERSON: Thank you, Chairman Murphy, General Graham, Board members and other attendee at today's meeting. My name is Richard Henderson. It's an honor to be here on behalf of the U.S. Department of Agriculture. I would like to continue to acknowledge the importance of barge transportation to facilitate exports and check the domestic shipments of agricultural and marine products, and the need for continued construction and rehabilitation projects to maintain and enhance the transportation infrastructure.

Year to date, about 15.1 million tons of grain, that's corn, soybeans, and wheat, have been outbound on barges for the Gulf -- to the Gulf for export. That number is 23 percent lower than last year, 19 percent lower than the previous five-year average. Most of the decrease can be contributed to lower export sales of grain, especially corn, and the closure of the locks in St. Louis from late April to mid-May.

Through May, the most recent data, U.S. grain export sales, including all ports, are down 17 percent from last year, and 11 percent from the previous five-year average. Except for the first week after the locks above St. Louis were opened on May 13th, grain volumes have been below last year and the previous five-year average by a significant amount.

Despite extreme water levels over the last year, the navigation system continues to provide agricultural producers an efficient and environmentally friendly option to bring their products to market.

Looking ahead, according to the Department's latest World Agricultural Supply and Demand Estimates Report released last week, though not location specific, the USDA stated that, projects the United States will export 53 million metric tons of corn, up 27 percent from last year, and 50 million tons of soybeans, down 7 percent from last year. From September 2023 to August 2024. Roughly, almost half of all grain shipped to export markets goes by barge annually.

The USDA is completing three cooperative research projects with three universities, covering inland waterways. We are finalizing, in collaboration with Ohio State University, to develop an operational framework evaluating the economic consequences of the inland waterways system failure of Mississippi

Lock #25, and Illinois Waterway O'Brien Lock. The study also looked at the resilience options that can help agricultural transportation systems and raise businesses to help the supply chain recover more rapidly from disruption.

Next, we're wrapping up a study with the Washington State University that looks at the economic benefits of navigation through the Columbia-Snake River Navigation System.

Finally, USDA is working with the University of Arkansas to develop routed data from the Army Corps of Engineers Lock Performance Monitoring System (LPMS) and the Waterborne Commerce Statistics data. From these data, we'll be able to put maps and visualization tools, analyzing U.S. grain and barge movements along the U.S. inland waterways. We expect the work on this project to be completed sometime this summer.

The USDA is also initiating a project with the Department of Transportation's Volpe Transportation Center. I can't speak to the details as yet, they are still being finalized, but they aim to update and expand upon an earlier study on the importance of the inland waterways to the U.S. agricultural report, which was released in 2019, the updated report to be completed by the end of 2024.

Thank you for the opportunity to participate in this meeting, and yesterday's tour of the Kentucky Lock Project.

MR. POINTON: Thank you, Richard. Moving on to Ms. Tretha Chromey from the Maritime Administration.

MS. TRETHER CHROMEY: I'm going to use this, okay? So, I'm going to start by sitting, and then I'm going to stand when I get halfway through my presentation. So just to do the intros. So again, thank you General Graham, Chairman Murphy, Vice Chairman Judd, members of the Board, on behalf of Secretary Buttigieg and Maritime Administrator Phillips, I'm pleased to be here joining you today. The Associate Administrator for Ports and Waterways, Mr. Paape, was unable to attend today, and he sends his regards. He really enjoys that I come here for him. For introductions, for the record, I'm Tretha Chromey, the Deputy Associate Administrator for Ports and Waterways, and again, I'm happy to be here with you today. Also joining me today is Chad Dorsey. Chad, please raise your hand. He is our Director of Inland Waterways Gateway Office, and he is actually located here in Paducah. Chad, when did we open this office?

MR. CHAD DORSEY: About five years ago.

MS. CHROMEY: Five years ago. So, the reason I bring that up is, our three directors are located strategically across the United States to help with critical implications related to Maritime Transportation, related to the Maritime Transportation System. They are our boots on the ground, they are here to help our stakeholders, and they're here to also relay information back to headquarters and to our leadership, and we thank them for everything they do.

For updates for today, on June 28th of this year, Secretary Buttigieg awarded more than \$2.2 billion from our RAISE (Rebuilding American Infrastructure with Sustainability and Equity Program), it's a long acronym, discretionary grant program to 162 different infrastructure projects across the country to help urban and rural communities move forward.

Projects to modernize roads, bridges, transit, rail, ports and intermodal transportation. This year's awards have been split equally between rural and urban areas, and almost three quarters of the grants were awarded to projects in impoverished or historically disadvantaged areas. Ports have received more than \$40 million in this award. These grants, totaling more than \$2.2 billion, aim to investment infrastructure that promotes safety, equity, and strong critical supply chains.

I am now standing. So Alex -- Allie? Allie. There we go. Actually, I'm going to go to the other one before this one. One of the things the Department (of Transportation) has been doing is we have a website that's called the DOT Navigator, it's live on the screen. I think it's a really important site that we have put up. It talks about all of the projects and funding that is available, not just for the Bipartisan Infrastructure Law, but from everything that we have available.

So, several grants have been awarded, as well as published, on this site. One of the most recent grants was the Multimodal Project Discretionary Grant opportunity, also known as MPDG, and that notice was published in the first week of July, applications are due August 21st. This project, or this announcement, includes three announcements in one. It was a way of trying to combine notices of funding opportunities out there for recipients and grantees, \$1.8 billion for National Infrastructure Project Assistance.

This, again, is what was known as our Mega Program, \$3.1 billion for Infrastructure Rebuilding Program in America, which is also known as our INFRA program. It's been around for a couple of years.

In addition, \$670 million for Rural Surface Transportation, and that is our rural program. In relation to our, of course, the projects we speak of within the Maritime Administration, is our Port Infrastructure Development Program. For many of those who are familiar with our program, we are in the process of closing out our October of FY22 Awards, which will benefit more than 60 percent of our projects' imports. Again, this is getting our projects awarded, and we're trying to get money out to the recipients for the great work that they're trying to do.

Moving on, there was a funding opportunity that closed back earlier in April, I believe, and we are in the process of looking at those awards. Those awards will be announced sometime later this fiscal year.

Moving on to our Marine Highway Program, which again, I spoke about at the last meeting. This program had a lot of updates from the National Defense Authorization Act. However, that window also closed February 28th, where the House will be reviewing applications, and that too announcements will be sometime during this year, before the end of the fiscal year.

One of the things I really wanted to talk about is some of the efforts that we have made, and again, trying to share information, and thank you for putting up the website. So, I'm going to have to scroll down slightly. This is our Marine Highway Program page. It has always been a very static page, and that is the way to look at where all the marine highways are. Again, these are very important, especially for your use and information, that we do.

However, if you scroll back up, no. Just go to the new tab. There's a link on that page that has taken us to more GIS approach to our projects. So, at this time, I would like to thank the Army Corps of

Engineers for some great data that we have used to incorporate our map. The uniqueness of this map is it actually shows how commodities flow, and how things are moving across the marine highway system. It is new. It was just published last week. We're still incorporating other data, but it gives it -- it's an exciting opportunity for when you're looking at projects or future projects. It includes locks and dams. It includes other layers, and other information for your awareness.

And again, we're looking forward to how this information will be incorporated later for our decision-making process. With that, I believe that was it.

So thank you for the opportunity, and I'm happy to be here with all of you again. And of course, if anybody has any questions, I'm available.

MR. POINTON: Thank you, Tretha. Appreciate it. We're going to turn it over to Chairman Spencer Murphy now for some opening remarks by our Board chair.

MR. MURPHY: Thanks, Mark. Good morning, and welcome to 100th Meeting of the Inland Waterways Users Board. First, I'd like to thank the Nashville District for organizing this week's tour. It was super-organized, highly informative. And then, as Mark said, you know, the weather had cooperated with us, so we had a great day and a great discussion. I also want to thank Damon Judd, vice chairman, who stepped in for me earlier, in our last meeting when I had some unscheduled downtime. Thank you for that.

Thirty-six (36) years ago, in Washington, the first Inland Waterways Users Board meeting was held. And my understanding is, Mark Pointon has been at every one of them, except the first 13, correct?

MR. POINTON: That's close enough.

MR. MURPHY: In these 36 years and 99 meetings, the industry and Corps have worked together to find meaningful solutions to the challenges facing the inland system. It hasn't always been easy, but I am proud to be part of this ongoing dialogue, and I'm very honored to chair the 100th Meeting of this Board. These meetings are critical for industry and the Corps to discuss the needs of the system, and best practices for investing the dollars that we deposit into the trust fund. Since this Board was reconstituted after the (Office of the Secretary of Defense) zero-based review, one of our top priorities has been to receive accurate trust fund balance information that reflects exactly how much money can be appropriated in any fiscal year. Today's trust fund presentation captures what this Board has been asking for since last April, and I want to thank the Corps for delivering on this request. The Corps has a financial and fiscal responsibility to maintain an updated and accurate accounting of these funds and knowing exactly how much money we do or do not have is the starting point for all the work from this Board.

And mind you, one of the key functions of this Board is to advocate for inland waterways in Congress. We all know the Corps cannot lobby Congress, but they can arm us with the information necessary to ensure that our projects are authorized in a timely manner and to fully fund it once underway. As I've said to the General on prior occasions, help us help you. While the trust fund presentation today contains up-to-date information, the Board's main concern is fiscal year capabilities are still not expressed in all the presentations for ongoing projects. The reasons for that is that as an industry, we cannot effectively petition Congress to help complete these projects without knowing what the Corps

reasonably believes can be accomplished. If you consider the recent funding landscape, the President's Budget requested \$0 for ongoing inland projects. And then in June, the House Appropriations Committee passed their energy and water bill with \$456 million going to inland projects and the NESP program was the most requested projects in that bill. In this new world of community project funding and limited work plan dollars it is vital to the industry have the most up-to-date capability numbers to ensure we deliver the right message to Congress to keep our construction projects ongoing.

Similarly, a number of projects have recently received updated analysis for their project costs and benefits or are in the process of doing so. Up-to-date cost estimates and benefits are what congressional leaders ask for, most of them. I'm sure you-all know, members of Congress ask these questions so they can do their own racking and stacking of projects to determine their fiscal year requests. We cannot effectively assist in Congress for any project without knowing the cost or benefit information.

So again, help us help you. With a number of projects facing cost escalations, supply chain issues, and worker shortages, we face financial challenges. For this partnership between Corps and industry can be a catalyst for solutions to ensure our projects are built and they are built in reasonable time.

As we discuss these projects today, let's imagine what we would want to be on the agenda for the 200th Users Board meeting, more than 30 years from now. If we get this right, that meeting will be an opportunity to celebrate the completion of NESP and look back on the successful completion of new locks, Lower Mon, Montgomery, and many others. And for that work, we're thanking this Board for the work we put in today to make it happen. So, I look forward to a productive discussion today, and it's time to open the floor for any comments from other Board members.

Thank you.

MR. POINTON: Okay. Any other members wish to make any opening remarks? Only the Chairman?

Huh? I'll let you know, Spencer, that I do not intend to be at the next 100 meetings, so I don't intend to be sitting here on the 200th.

MR. MURPHY: Never say never.

MR. POINTON: Never say never, as the Chairman has reminded me.

MR. MURPHY: Never say never. You never know.

MR. POINTON: We're going to move on in the agenda now. It's time to do the approval of minutes from Board Meeting No. 99. Those were sent out in the second packet of read ahead materials. Is there any dialogue or discussion on that before we call for a motion?

None? Do I have the motion from a member to approve the minutes? All right, there's nine of you here.

All right, Spencer (indicating). Who seconds that motion?

MR. LANCE RASE: I second.

MR. POINTON: All right, Mr. Rase, thank you. All in favor?

ALL BOARD MEMBERS: Aye. (Unanimous.)

MR. POINTON: Great. Thank you. The motion to approve passes unanimously. All right.

Now we're going to move on to the Inland Waterways Trust Fund presentation. So, I will continue to do that from here as well.

Next slide, please. So, here's your standard slide. I delayed sending this out initially until we had the June numbers, so I apologize about this being the only one that I sent out. I didn't want to have version control issues like we had last time. So, these are the latest numbers that are available from the Department of Treasury.

I think I killed the battery in my mic.

CAPTAIN JOSEPH COTTON: Oh, we can switch those out.

MR. POINTON: All right. Does that work any better? Can you hear that? All right.

So, we've got the starting balance, which is about \$200.5 million. The current reported fuel tax revenues are \$67.4 million.

And I checked with Treasury. The last time they got those actual reported revenues from the IRS (Internal Revenue Service) was on May 10th. So, I checked that out for you. So of course, the follow-up question to that is, when do you expect to get that next? And they said they hope to get that in August, or if not August, September. But again, as I mentioned in the last meeting, again, very politely, they said we get it from IRS when we get it from IRS. So, they're hoping by the end of the year that they'll get another report on actual revenues collected, by the end of the fiscal year.

Transfer to date, there has been about \$25 million transferred.

There were no transfers reported until June, so all those were reported transfers for the end of June. I did check with our finance center, but I didn't find this out until Tuesday morning, so I didn't update the presentation.

Essentially, the projects that received that \$25 million are the Upper Mississippi River Project, approximately \$10 million; Chickamauga, approximately \$9.6 million, and Monongahela 2, 3, 4 Replacement projects, approximately \$5.8 million. So those are the big amounts. There's a few other projects that got little bits and pieces of funding, but those are the three projects that received the vast majority of the funding that was transferred out through June.

MS. CRYSTAL TAYLOR: Excuse me. I have a question before you go to the next slide. First of all, I'll echo Chairman Murphy's comments. And I'm Crystal Taylor for the record. We appreciate all the work that's been done to provide the available balance here. That gives us great visibility now. If I understand the requirements correctly, we are required to maintain a \$20 million balance. So, is that

considered in the \$148 million, or should we be thinking more about \$128 million as a bottom line?

MR. POINTON: That is not included in that bottom line. So yes, you do need to subtract that \$20 million to retain that minimum balance.

MS. TAYLOR: Okay. Thank you.

MR. POINTON: Thank you, madam. Any other questions on this before we move on to the charts of the revenue? All right, great.

So again, on this slide you can kind of see here, we're lagging behind the last year through June. I would say it's about at the same level there was with FY21, and I don't know if that's good news or bad news, because FY21 ended up being a record year for revenues collected. So, I'm kind of neutral about whether that's a good news or bad news story right now. So, you know, I guess it's good news in that it is still kind of at a pace that's pretty high up there for the last couple of fiscal years, which were pretty high up – the highest revenue years.

MR. MURPHY: Mark? Sorry.

MR. POINTON: Yeah, go ahead, Spencer.

MR. MURPHY: You said earlier, we believe the last update from IRS was in May of this year.

MG GRAHAM: May 10th.

MR. MURPHY: So, would this data be as of May 10th?

MR. POINTON: These data would incorporate any reconciliations or adjustments from the actuals that were collected and reported, as of May 10th, would be reflected in the June -- through the June report. So, any adjustments made from the actual versus the projected by Treasury are incorporated in these numbers. Does that answer your question? Or did I just make it more complicated?

MR. MURPHY: No, you did.

MG GRAHAM: Yeah. You made it worse. You made it worse.

MR. MURPHY: So, the June data includes actual receipts, as confirmed by the IRS, through May 10th?

MR. POINTON: Yes.

MR. MURPHY: Plus whatever estimate we have for the interim since then?

MR. POINTON: Yes.

MR. MURPHY: Thank you. Now I know.

MR. POINTON: You said that much more succinctly than I did, so...

MR. MURPHY: Okay. Thanks.

MR. POINTON: General Graham is going to take the mic from me.

MG GRAHAM: No, no. Keep going, Mark.

MR. POINTON: All right. So again, this is just the order of the last three months of the revenue. So again, it reflects the same thing. If you look at the June, FY23 is that red bar. And then I guess that amber bar is FY21. So, you can see that in FY22, we were setting a record pace even ahead of FY21. And as we know that kind of crashed in the last quarter of FY22. The records went up -- or dropped way down. So again, I think it's kind of a good news story that we're at least keeping pace with FY21. Most likely.

Nothing new here. I know it's been mentioned already that the House has been marking up the budget. And I know that's working on Capitol Hill right now through the committees. So optimistic that when I add a FY24 column to this chart, it will have a lot of numbers in there for a lot of projects. And this shows the numbers that we pulled out of our financial database to make up that \$102 million that are still unobligated, but we have the budget authority.

We've already received this budget authority. So, these are the projects that have unobligated balances as of June 15th. So, you can see where that \$102.2 million comes from, approximately \$102 million of what's still outstanding in there. Yes, Martin?

MR. HETTEL: Yeah, Martin Hettel here. Just to confirm, these are trust fund dollars and it does not include General Treasury dollars, correct?

MR. POINTON: Correct.

MR. HETTEL: So as an example, the Lower Mon has got \$20,386,000 of trust fund dollars. Seeing how that's a 50/50 cost share, that's actually 40,772,000 available for Lower Mon?

MR. POINTON: Right.

MR. HETTEL: Okay.

MR. POINTON: Yeah, we track it between the General Treasury funds, the Construction dollars, if you will. Our Construction account and the Inland Waterways Trust Fund dollars, we have separate codes to track that. And these are the numbers that were pulled out exclusively for the Inland Waterways Trust Fund dollars that are unobligated.

MR. HETTEL: And are you going to present this at every Board meeting going forward?

MR. POINTON: The General hasn't hit me yet, but I think the answer there is yes. All right, he gave me a thumbs up instead of a back of the head slap so I'm good with that.

MR. HETTEL: Okay. Just a suggestion then, and maybe on another column, you could add the total

Treasury numbers.

MR. POINTON: Yeah, I will. Yep.

MR. HETTEL: A total of –

MR. POINTON: In fact, if I had gotten the numbers that I had before, I was going to do that in one slide, but I wasn't that ambitious in the rain yesterday.

MR. HETTEL: Okay. That's it, thank you.

MR. POINTON: Thanks, Martin.

MR. MATTHEW WOODRUFF: This is Matt Woodruff. Just follow-up question to that. On the General Treasury dollars that match sort of different ratios, these funds that we see here, have any of those funds been reprogrammed to other areas, or are they all still available for the intended listed projects?

MR. POINTON: I'm probably not the best person to give you the answer on that. I don't think there's anybody here who would be. The general answer is no, they have not been reprogrammed.

There's a whole separate process to go through the reprogramming of funds, and it's an iteration more complicated when you're dealing with the cost sharing, because we got of the projects that don't have the type of cost sharing that we have here. So, I think the answer there is, no, Matt, the General Treasury dollars have not been reprogrammed or utilized for other purposes.

MR. WOODRUFF: Thank you.

MR. POINTON: Thank you. Well, I think we've already covered this slide.

Now what about the slide after that? So here we're going to have some specific project updates today. We've got the Three Rivers on the McClellan-Kerr Arkansas River Nav System (MKARNS). We're going to talk about the Brazos River Floodgates and the Colorado River Locks on the Gulf Intracoastal Waterway. Those are our Southwestern Division projects. I think the next one that we have is Mississippi Valley.

Next, we've got the NESP and Lock and Dam #25, as well as LaGrange, and then the Gulf Intracoastal Waterway, we have the Inner Harbor Nav Canal (IHNC) Lock and the Bayou Sorrel updates. So, we've got Brad Inman here from the (New Orleans) District who's going to update us on those. That was a request by, I think, Marty -- no, I don't think it was you. One of the Board members requested that at the last meeting that we hear about IHNC Lock and the Bayou Sorrel.

And then of course, we have our regular Ohio River and the Great Lakes Division projects. We did see Kentucky Lock yesterday. We got a fantastic briefing on Kentucky Lock, so we're not going to use a lot of time on the agenda today re-updating that project, because we got a lot of intel yesterday. So, we've got the Chickamauga Lock and then Charleroi of the Monongahela River 2, 3, 4. We've got the Pittsburgh District staff here to address those. And then of course, the Upper Ohio River, Montgomery

Lock. I think there's a little bit there on Emsworth as well, but the focus is on Montgomery. And I believe that's all I have.

Any questions on anything we've already covered? I'm not going to offer up anything we're going to cover. All right. Great.

Next on the program, we've got Ms. Tiffany Burroughs here. She's the Chief of Navigation for the Corps of Engineers, and she's going to give us the status of the funding, for the FY24 President's Budget. And I think we've got a couple slides in there on the status of where we are for FY25 and where we are in FY26 as well. So just a second, let me bring her the mic.

MS. TIFFANY BURROUGHS: Thank you, Mark.

MR. POINTON: I keep this one.

MS. BURROUGHS: All right.

MG GRAHAM: Go, Tiffany, go.

MS. BURROUGHS: For everyone that doesn't know me, my name is Tiffany Burroughs, Chief of Navigation. I'm going to go over the funding update for you guys today. We can go to the next slide. Perfect.

So, you guys have seen this before. Pretty much gives you just a timeline on our budgetary process that you guys can see. At any given time, we're generally touching at least three budgets, and you throw in supplementals and other appropriations, it can be more than that. But right now, we are in the midst of executing our FY23 program, defending our FY24 program, and then towards the backend of development for FY25. And then we're also in the midst of prepping for FY26 and getting together our program development memo.

All right, this slide gives you some trends for all of Civil Works. Going now into Navigation, you can see in that FY24, there's specific highlights. This will give you a top line map for all the different accounts or appropriations that we received. Then Fiscal Year 2023, you can see that we've been trending in the upward direction since 2013. The blue line gives you the total appropriation trend, which is shown that we routinely received additional appropriation above the President's Budget in a good amount since 2013. And in Fiscal Years 2021 and 2022, we saw our budget increase about \$1 billion each. There was a slight dip in FY23. Obviously, we got some additional appropriations that year, so I'm not sure if that will, that trend will continue. It was probably just a one-year dip.

In FY23, our President's Budget was \$6.6 billion, and you can see the total appropriation of about \$8.3 billion. And then in FY24, our total President's Budget was a little over \$7.4 billion, which was an 11 percent increase. So again, we've been trending in the upward direction, so it's good news there.

So, this slide shows the FY23 President's Budget on the left and our FY23 total appropriation on the right. Both pie charts are broken down by Treasury account so you can see it. Overall, we received an additional \$1.7 billion above the President's Budget in additional appropriations in FY23. The big account winners were generally Operation and Maintenance (O&M) and then also Construction. We

received \$780 million additional O&M dollars and \$552 million additional Construction funds. For Mississippi River and Tributaries (MR&T), we received about \$140 million additional above the President's Budget.

So, this next slide, this goes over the trends for the specifics of the Nav program broken out by coastal and inland. As you can see in FY22, that's the largest bar you see there, that's the year that we received our historic Bipartisan Infrastructure Law (BIL) funding. So that light blue color there at the top shows that. And then since Fiscal Year 2018, we've received over \$10 billion invested in our inland waterways system and \$17 billion for coastal. The other thing I highlighted there is that last bar to the right, I know it's kind of hard to see, is the FY24 President's Budget and that's shown in green. And that's about, I would say, on par with our previous years for inland and coastal.

All right. So, this slide is going to break down further the navigation funding across the different accounts. So, this is our Investigation account. And you can see the regular appropriation versus the Bipartisan Infrastructure Law that we received in 2024. The orange bars are inland navigation, and the blue bars are coastal navigation, and then the green bars are the President's Budget there to the right. The reason this slide would be kind of important for this audience is, as you receive additional money in Investigations, these would be some of the projects we'd be talking about in our Capital Investment Strategy (CIS). And this is what we get funding for before they move into the Construction account. So really important that we continue to receive dollars for studies as well.

Next slide up is our Construction account, same color code as the previous slide: inland, orange; coastal, blue; and then green shown to the right in green. Fiscal Year 2023, included about \$109 million for inland construction and about \$585 million for coastal construction. Fiscal Year 2024, the President's Budget included \$5 million for inland construction and \$388 million for coastal construction.

Next slide is our O&M, or Operation and Maintenance funding trends. As mentioned on our previous slide, O&M is typically, one of our big winners in total appropriations. Fiscal Year 2023 included a little over \$1 billion for inland O&M, and about \$2.2 billion for coastal O&M. On the inland side, we removed the BIL funding and to focus on normal appropriations. There has been a steady increase from 2022 to 2023. There was 6.2 percent increase in O&M and the same holds true on our coastal side as well.

So, this slide just highlights some of the specific projects that received funding in our Bipartisan Infrastructure Law funding that we got for 2024. So, we've been receiving BIL, for short, funding since 2022. So, this highlights all of the specific O&M projects that were funded in BIL in FY24.

Next slide, this highlights our Investigations. I think you skipped one. Okay, thank you. This highlights our FY24 President's Budget Investigations, all the projects that received funding there in the Investigation account. So, it was broken out between inland and coastal. As you can see, inland would receive funding for a Dredged Material Management Plan (DMMP) for the Illinois Waterway. And then we had two disposition studies that received funding on the Upper and Lower St. Anthony's.

Next slide, this highlights, just for the FY24 President's Budget for Construction, broken down by inland and coastal. We received some funding for our channel improvement dikes, and then several of these coastal projects – several of them are Harbor Maintenance Trust Fund funded. And then also I wanted to highlight that Soo Lock received a considerable amount. Obviously, it's not an inland

waterway. However, we all recognize its significance to the Marine Transportation System.

So, this next slide gives you some of our O&M highlights. Obviously, we couldn't list every project on here, but it kind of breaks out the program based on Major Maintenance, regular Operation and Maintenance and Dredging. So, it's the different phases that we have within O&M, it kind of highlights for each. So specific to inland, we received about \$127 million for Major Maintenance work. As you guys are familiar, that would be the work that is \$8 million or more. And then for Operation and Maintenance work, we received \$682 million, and then for Dredging, \$161.5 million, specific for them. I wanted to highlight for the Major Maintenance that most of that work was for the Mississippi River and Ohio River. And they received money in May to do some miter gate work and hydraulic adjustments and worked on that.

MR. HETTEL: Tiffany, Marty Hettel here. For 161 days of dredging, do you know the number of what we spent last year during the low water period in dredging costs?

MS. BURROUGHS: Someone from MVD (Mississippi Valley Division) might have that. I probably had it on a slide somewhere, but I don't have it off the top of my head.

MR. HETTEL: It'd just be interesting to just compare what we have been through, and this is what we have left to do.

MS. BURROUGHS: Okay, so I can get that. You want how much money was spent for dredging for the low water?

MR. HETTEL: For the low water season last year. I don't know if Pat (Patrick Chambers, Chief of Operations and Regulatory for MVD) has that or not, I mean, compared to the President's Budget. Just what I'm trying to see is, as we go into the low water season this year, we can be funded for dredging these that we assume is going to take place, depending upon Mother Nature, of course.

MS. BURROUGHS: Okay. For that issue, I don't know.

MR. POINTON: Pat, do you know?

MR. PATRICK CHAMBERS: No, sir. I'll have to pull the exact numbers.

MR. POINTON: Right.

MR. CHAMBERS: You know, we can go back and get that, and we can get that to him. We'll do that.

MR. POINTON: Thanks, Pat. For the record, that's Pat Chambers, who is actually on the agenda next, I believe. He's from the Mississippi Valley Division, the Chief of Operations and Regulatory. Yes, you're not getting away, Pat. Thanks, Pat.

MS. BURROUGHS: Okay. So, the next slide is kind of where you got an update on where we are on some of our actions for our FY24 work plan and FY25 President's Budget. So, for the FY24 work plan, we've already saw the House markup that was done back in June for \$9.57 million for the FY24 appropriations. And then the Senate markup, I believe, is scheduled for today, but that's scheduled for

today, so we'll see how things shake out at the end of today with that. And then obviously, the conference, we're not sure what time or what date that's going to happen at this point. For our FY25 budget, we just wrapped up the Chief's recommendation. I believe that was last week, and kind of in the process of doing that ASA (Office of the Assistant of the Army (Civil Works)) coordination at the moment. And then all of this work will commence in February 2024 with a pressbook and release. So that's a tentative date for that. All right.

Next slide. So last time we met, I went over with you guys some of the things that we were doing to kind of see where the market was trending, as far as inflation was concerned, and how it was impacting some of our projects. And so, I'll just kind of give you guys another update on where we are with Cost Engineering. So, our Cost Engineering team put this slide together for us. So, there's been, over the last year, several policies that Mr. Pete Perez, who is our Chief of Engineering and Construction for USACE Headquarters, has released to the field, and two of them would be more applicable to Civil Works, those bottom two there. You guys probably can't read it, at this point, but they really address the inflationary factors. So, there was that sent out in June to address scope development, laying out some minimum requirements in studies, or projects in planning, engineering, and design phase for some of the key data that they require, things like geotech, survey, hydrology, and hydraulic data and really clarifying the importance of identifying the design maturity as key in determining cost estimates classification. So that's something I think we're going to look to do in the future here is when we're stating cost estimates, associating that with the level of design, I think that will be a key factor in helping us to be able to adjust some of the challenges when we're communicating costs. So those were two key policies that were just released. One was in April and one was in June. I think I might have missed the one in April. So, the one in April was to address project costs, update requirements, and what specific applications and factors that should be used during those processes.

MR. THOMAS SMITH: So, Tiffany, let me comment. And I'm Tom Smith (Chief of Operations and Regulatory, USACE Headquarters), speaking on account of Pete Perez, one of the Civil Works executive leaders. And there was no place to put this in the briefing. We wanted to put it back in Nav funding, but on these three policy letters, particularly the bottom one, is kind of the business process discussion that has been very similar to the conversations that General Graham has led many of the Board members through over the past 24 hours about how do we actually, as a sophisticated infrastructure owner and developer, get better cost estimates to inform better construction bids to also assist with our appropriations journey.

And so it is tough to unpack all of these acronyms and the specific ER (Engineer Regulation) and what it means. But one of the things that we all have learned is that when Congress and the President come together and with great relief fund program and projects that have been sitting and planned for a great period of time, but the processes weren't always up to date. And so, some of what's in here is an effort that General Graham, Pete Perez and USACE, that we need to ensure that we don't have projects that don't have up-to-date cost estimates because we don't think they're going to get funding anytime soon. So, some of this – I don't want to unpack everything here, but that's one of them.

Another thing is that in some cases, we have gotten the Chief's reports and not really recognized in terms of how we do processes, just the immaturity of the engineering side. So there's some criteria in these bullets to talk about. What are the minimum criteria? And then if we do meet – if we are expected to provide cost estimates and we don't have a material design for different reasons, then we need to make sure it's very clear, that risk or that challenge, that gap, and that's in here as well.

So, you know this could be another break out for a whole day on this, but I just wanted to lean in a little bit on behalf of Pete Perez. I'm sure he would be glad talking with this group at any time. He probably is talking to some of you, that this is heavy lifting to get our business process aligned better because we want, like I said, this is the conversation that all of you were having with General Graham last night. So, I just wanted to say, first off, that this is a very meaningful slide that represents, you know, a lot of heavy lifting that is going all the way down to our districts about how we do our business.

MS. BURROUGHS: Next slide is my last one. And I just wanted to advertise our Inside the Castle podcast. If you guys wanted to know, you know, more about what we do, and I know I talk mainly here about Marine Transportation System, but it covers a broad range of topics. Myself and Jase Ousley, who's my Dredging program manager posted there in the near future. So, I just wanted to give a little shout out to that. And that will be my last slide. Any questions?

MR. POINTON: Any questions for Tiffany? Matt?

MR. WOODRUFF: This is Matt Woodruff. A couple of questions. I think it's slide #5, where you show the amount of funding that came from the Bipartisan Infrastructure Law, and it was broken out between inland and coastal. The amount shown as coastal, was that limited by the law to coastal, or was that available for any infrastructure project, any construction?

MS. BURROUGHS: So, there were two funding pots for BIL. This is showing how it was allocated. So, there was the one funding pot that was specific for inland, and then there was another one that could have been used across either one.

MR. WOODRUFF: Okay. And that second group or pot of money that could be used across the construction budget, what is the status of that? Has that money all been allocated at this point?

MS. BURROUGHS: I believe there is a small amount left, if memory serves me right. But I'd have to go back and check specifically how much that was. I think it was a small amount, very small.

MR. WOODRUFF: And on the inland side, the money that was dedicated for them, the \$2.5 billion, is there still \$113 million that remains unallocated?

MS. BURROUGHS: I know there is some unallocated there as well, if I recall. But I got to go back and check the specific amounts.

MG GRAHAM: I think that's close. I think that's close.

MR. WOODRUFF: Yeah. Do you know whether there's any plans to allocate that money, or if it's been designated yet for a project?

MR. POINTON: Okay, you want to go ahead, Mr. Pinkham? Would you help Tiffany?

MR. PINKHAM: Yeah, we've got a tried-and-true waiting for some clearance OMB at this time. I can't give you a timeline when we're going be able to release those numbers.

MR. WOODRUFF: Okay.

MR. PINKHAM: But yeah, Congress, when they passed the BIL, they kind of set out these stages, incremental.

MR. POINTON: Over time, yeah.

MR. PINKHAM: Yeah, so we're trying to get this next one out. Now, I don't have an exact answer on when we're going to get those numbers released.

MR. WOODRUFF: Okay. Well, great. Well, certainly, I think a lot of us are eagerly awaiting that news and, you know, part of it, at least my impression of what Congress intended through that money was to jumpstart the economy and get people to work and to make things happen. So, I hate to see money sitting there when we do have such great needs across the system, a few in particular that I care about.

MG GRAHAM: Absolutely. And to go to Chairman Murphy's point, some of that is discovering, learning on what some of these additional costs might be, and we got to finish what we start, all right? So that's been some of the well, okay, this cost is costing more now. We might need to, instead of starting that new thing, we might need to put that money to finish an older thing. And that's what we are looking at right now, which, you know.

Any other questions from the Board members? That's a lot of data Tiffany laid out for you. We can quiz MARAD on this later on. No, I'm just kidding about that. So, Damon?

MR. DAMON JUDD: Damon Judd. Question for, I guess, Tiffany and Tom. Yeah, I think, Tom, your comments around getting into this process of having regular updates and staying up to date on these projects is something we've talked a lot about, and we all applaud the efforts there. But I think from the Board's perspective, we appreciate that with the BIL funding, there's been a lot of catch-up work. And I'm just trying to, I guess, get kind of a mental picture of, as we wrap up this year, are we kind of largely caught up and then into the regular rhythm of everything will be kind of be up to date going forward? Or is there a longer tail on kind of to catch-up work on projects before we get into this rhythm, where kind of the new future state of, you know, projects will be up to speed and up to date on costs and more of a more regular rhythm around, you know, the financial side of what our expectations are.

MR. SMITH: I would say -- Tom Smith here -- that yeah, we may need to catch up. I think the numbers changed a little bit, but I'm speaking broadly and talking about inland. We're well aware of the projects-to-be that are authorized, but unconstructed and --

MG GRAHAM: Authorized, but unconstructed.

MR. SMITH: Yeah, authorized, but unconstructed and in many cases, they go back, you know, several years. So, cost assessments on those are not always up to date. So, there's that a kind of a tag around working closely with the Office of Management and Budget and, you know, how do we get the funding to keep costs up-to-date and so that's a large effort. And I wouldn't say we're catching up to that anytime soon, I don't think.

MG GRAHAM: Yeah, absolute. So, let me try to make sense of that. So, we go through an investigation or a GRR (General Reevaluation Report) and we say hey, we need to build this thing and we get the Chief to blast off on that, and that finished the investigations, and so that then gets put on the shelf, waiting for construction to start and money to go ahead and do that construction. Now, we don't know when that's going on. Right now, we've got, I think, 127 projects, not just on the inland system, but across the Corps portfolio that are in that. We've finished it, we've got that into a WRDA (Water Resources Development Act) bill, and they've gotten authorized, okay? So now, they're sitting on a shelf waiting for construction funding. The clock is ticking. Inflation's happening, those written with certainly a different environment in mind. And in many instances, which we heard yesterday, is sometimes, the engineering standards change. We learn things, all right? So, in the past, we hadn't had a mechanism to go back into those projects that are sitting on the shelf, waiting for construction money, and to keep the costs updated. I also like to keep the benefits updated, because those change and go up too, right, but I don't have a funding mechanism to do that. We finished the investigations; it's done and haven't started construction. And so, what Mr. Brown (Mr. Theodore Brown, Chief of Programs Integration Division in USACE Headquarters) is working with -- Tom alluded to, is to see if we can work with Congress to get some funding allows us to keep that accurate, which just goes to what Mr. Murphy was asking us for, which is, hey, when funding opportunities come up, we need to have a good, clear ask from Congress of how much this is going to cost and how long it's going to take, Tom.

MR. SMITH: Yeah, so then moving into the inland system, the projects we talked about today, the PM or the lead who comes up to talk about will paint a very clear picture of where we are on that, for those specific projects.

MG GRAHAM: As they're in construction.

MR. SMITH: Now, as we get into the full sweep of projects that are in, you know, part of that 100 plus that General Graham talked about, I'm not going to tell you that design is up to date. I mean, the point I think General Graham made is if you're listening to the back-brief or the out-brief at yesterday's project tour, even during the period of construction that goes on for 15 years, engineering standards are changing, so there's lots of variables there. But there is a great degree of clarity on the projects that are at least started, but it's still imperfect in a few cases, I think. So, I don't know, is that helpful to get closer to what you are asking, Damon?

MR. JUDD: Yeah. I guess, just context, and again, it comes back to kind of the statement help us help you, and make sure we understand where this trajectory is. I think what I'm hearing is, as it relates to the major projects that are underway, we're getting caught up. There's still a pretty heavy lift to get to the process we're envisioning going forward on a recurring basis. And a heavy lift maybe, you know, years, to kind of put a timeline around it, but not six to 12 months, probably.

MG GRAHAM: Absolutely. Right, we're trying to get the business on a more solid footing so that we're not shooting behind the duck.

MR. JUDD: Yeah.

MG GRAHAM: Okay.

MR. JUDD: Thank you, sir.

MG GRAHAM: Okay. So, if we could just slide back to slide #3, as a collective groan goes up across the room, back to slide #3. Okay, so this is my favorite slide that Tiffany puts up there. And so, if you go back to 2001, we were limping along at \$4 million. Sorry, that is billion, \$4 billion. And then you see where that blue line's heading in, you know, 24 years later, and it's kind of doubled those investments that we're making. So, that's great success. That is great success. I'm going to tie a lot of threads together, Damon. So, a lot of the processes that the Corps have been running, we put in place back when the line was flat in 2000, how we oversee this organization, because we were just stretching pennies, right? Times are vastly different now. Greatly so. Wonderfully so. So, what you saw on that very busy slide that Tom laid out on how we are trying to tweak the business to acknowledge that we have changed fundamentally how we're running the organization to catch up to these different times that we're in. That's our commitment to the Board.

Second piece on this slide I just want to bring up is, what does it all mean? Well, we provide you a more capable, more reliable system that your customers can count on. And we're going to bring Pat (Chambers) up here in a minute to talk about some curveballs Mother Nature's throwing at us right now, but the whole goal here is, and I'm looking at our federal partners, is that the system's more reliable and it's more capable. Wonderfully illustrated by the Nashville District yesterday, you saw the tows queued up saying it's a five hour wait to get through here. Once we get this 1,200 foot chamber, it's going to be down to zero. That's a more capable system. That's where we want to go. That allows us to be more competitive with folks like Brazil, which is what I know you're telling us we need to be able to do for the farmers and businessman who are counting on us. So, I'm going to put Tom Smith on the spot here, and I'm going to go off of the metric of unscheduled outages, like we're seeing in the Illinois Waterway system. If we know we're going to take something down to maintain it, you can plan, and the folks who you support can plan accordingly. If it breaks unexpectedly, and it goes down and you got to fix it, that causes turmoil. So, Tom, can you tell us, in terms of unscheduled outages, are we getting a more reliable system?

MR. SMITH: So very fortunately, I have a piece of paper here that if anybody asked --

MG GRAHAM: We didn't practice this earlier.

MR. SMITH: -- I'd be ready for all these questions that you can come up with, General Graham, but, yeah, we have an 80 percent decrease of unscheduled outages created over a day, over the last five years. You know, something we put together, perhaps we can get this out. Mr. Pointon has been using this chart. It just talks about value added to the nation that the Corps of Engineers has across its whole portfolio, and that's a particularly powerful one because it comes up as we sit down with their OMB examiners, Tiffany, the team will pull up and sit down and go over the metrics that we have. So unscheduled outages down, scheduled outages is up, so it doesn't mean there's not an outage, it's for the Illinois Waterway briefing it will come up here. Scheduled outages is up, unscheduled down. Outage is an outage in some sense, but obviously, you can plan for things, and it can help provide that predictability. And we have a similar story for capability in our ports. Our channels are better, performing better now than they have certainly over the last five years. I don't have a data point specifically on that, but...

MG GRAHAM: So, I think the narrative that we need your help to tell them is that this is a good investment, all right? This is a good investment. The country is investing more in this amazing system,

and it's paying off for the folks that are counting on it. Doesn't mean we're perfect, but I think there's a pretty good return on investment.

Okay, Mark?

MR. POINTON: Thank you. I'm going to have to get that little cheat sheet that Tom has.

MG GRAHAM: You have to turn on your mic, too.

Okay. Keep going, Mark.

MR. POINTON: All right. I've already introduced Pat Chambers, so he's next on the program. He's going to give us some updates on the low water for 2023 and I think a little bit of updates or follow-up from last time and then this time. So Pat, go ahead, man.

MR. CHAMBERS: Thanks, Mark. Again, I'm Pat Chambers, Chief of Operations and Regulatory, Mississippi Valley Division. Good morning. I'm here to give you-all, you know, a little Déjà vu update on what's going on here. As we'll walk through these slides, you can go to the next slide real quick. As we go through the slides, these were put together back on the 11th, and we've had about, you know, eight days or so since then, so a lot of this information's changed, but this is the June precipitation average, you know, just showing that the majority of Mississippi Valley was 25 to 50 percent below normal, through that entire month of June.

Route monitors, on the next slide, just showing that this is nothing new. You know, it's been a couple of years going on that, moderate to extreme drought conditions throughout the upper and middle Mississippi Valley, you know, and then some drought conditions down on the lower end of it. And then off to the northwest, the area gets some extreme drought conditions, you know, that where we're getting water from is being hampered a little bit as well.

Now the next slide, this is current as of the 11th of July, like I said. It was, you know, nine days ago. So, we're showing St. Louis, you know, the current stage now, and of course, you can see the 2012 and 2022 lowest stages that we're at, and it shows the current stage and then the 28-day forecast, but you know, as of today, St. Louis stage is at two-and-a-half. It's going to be basically flat through the weekend and going to fall off to about negative two over the next 28 days. Okay. Then we're going to jump to a 16. You know, it's going up to 19 over the next three or four days, and then it's going to start falling back off to about nine in the 28 days of the forecast.

Memphis has had minus three-and-a-half today. It is going to jump to one, and then going back down to a negative six-and-a-half. You know, that's the 28-day forecast. You know, of course, all of them are subject to change. You know, if we get another couple of events like we did last night, that would be extremely helpful. You know, Vicksburg sitting at about 11-and-a-half is going to go on for next few days to about ten, then and jump up to 13 and then, you know, ride on down to about five on the Vicksburg gauge of 28 days.

So just want to kind of give you-all that update, you know, and then, you know, these next four slides, we can look at these gauges and the trends and what I read is what I think is the current as of the 11th of July. That is, the red line showing –and I guess I'll explain this just a little bit. Yellow band in the

middle is about the average for these times of year, as, you know, the water average for these times of year. You know, the upper band and the grayer color up there, it's for a high year, and the lower band is a low year, of course. You know, you can see from 2022, we were running to set records at St. Louis, or riding those record lows throughout. You know, that red line there for the current year, is for current forecasts. You know, it is going to go up just a little bit. We're going to stay probably right along that last year's low band or maybe a little bit above it as we ride through this.

Next slide. You know, this came up we've seen yellow and we're going to see another one. We're going to be probably up in the mean, in the yellow for a few days, but then we're going to roll – going to ride on back down to those lowest days, close to what we were seeing last year. You know, some challenges there in Cairo, you know, with the water that's coming in. We can talk about that, and some of the things that we're doing to manage, you know, some major oscillations at the Cairo gauge, so we're not caught off guard. We'll talk about that shortly. Then the Memphis gauge is next, and this is going to give you an idea of where we stand, what we've seen, from 2012 to '22, and then, you know, where we're at on the averages.

Next slide is Vicksburg. It's getting red. You're going to see that fall off and come back up. We're going to ride just below that mean average, I think, for the next month or so. You know, the bad thing is, just talking to water managers, you know, these rains like what we got through here last night, I mean, they're helpful for the short term, but in order to turn this river around to get us back into those mean stages where we're all comfortable, it's going to take weeks of rain in order to get us back, based on the drought conditions that we've been experiencing that we talked about over the first couple slides. So, hopefully we continue to see these rains come through, you know, to help us out and keep us going, but we're not slowing down on trying to keep our dredges out of any of these falls to, you know, be able to maintain. Navigation for you guys, you know, moving products.

All right, the next slide is the state diagram. This is something that I think Mr. Pinkham has seen a few times. You know, as we send this up to Headquarters and ASA's offices, our state diagram, where we kind of lay out the river, you know, I guess those are gray boxes up there. You can look and see the total input, you know, from above the Mississippi River, where we get about 24 percent of the total flow of Cairo that's coming out of there, and we get I think it's 20 percent of Missouri River that, you know, feeds the Cairo gauge, and about 55 percent, from the Cairo gauge, we're getting out of the Ohio River. And then down, you know, the Arkansas-White feeds the Vicksburg gauge, and it was about ten percent. You know, additional flow off the Arkansas White comes in. And the other thing that we're showing on here is, you know, of course, river stages, not hard to figure out, but also where we've got our dredges currently located. Again, this was as of the 11th of July. You'll notice that it is showing – I think it's showing the (USACE dustpan) Dredge JADWIN was working at Stack Island. They had actually finished at Stack Island, moved to Lake Providence, and now, as of tomorrow, we're going to be moving them up into Memphis District, and we've got the (USACE dustpan) Dredge HURLEY helping out in St. Louis. And we've also moved a hopper dredge into the deep draft crossings, you know, to help out and keep those deep draft crossings open. And we're maintaining about half a channel there, you know, through and through all the crossings in the New Orleans District.

So, the next slide is just some key points. You know, right now, we've got 17 dredges operating throughout the system. I think I've listed them there. We've got seven mechanical dredges, that are, you know, working on the Upper Miss. And, you know, of course we got our (USACE pipeline) Dredge GOETZ up in St. Paul, it's worked from St. Louis through Rock Island, all way back up to up

St. Paul, which is where her home district is. And as they are finishing up there, they'll be prepared to move down if we have anything lower than that. And then all the others will, I think I showed them the state diagram and I don't like to read slides. Two people that I knew are saying I can read that, I don't need your help, Pat. So, any questions on that? I'm sure we'll get to that here shortly.

You know, just some key things that I do want to point out is that we've been looking very closely whenever the Cairo gauge is riding at about 14 or below. We're closely coordinating with the Bureau of Reclamation and TVA (Tennessee Valley Authority) to try to manage those peaking operations or just kind of mitigate the oscillations, you know, from their peaking operations of those hydropower plants. And we can't, you know, completely iron it out, just because it is going to have some fluctuations when you have a lot of water flow, so we're going to see that, but we don't want to see three-and-a-half foot drops. You know, if we can get them to ten foot, just take the caps off of those dips, you know, maybe a foot, and then also give industry that heads up when we know we're going to see some sort of dip in the river there at Cairo, because we don't want you-all to be alarmed whenever these things come out of nowhere. Saw where Pannell Construction began on the 11th of July down in New Orleans. They are, you know, we got the same contractor working on that this year as we did last year. It's going to take a little bit; it's going to take 14 days this year to get that completed. Last year, it was 11, but, you know, we had materials a little bit more spread out down there, so it's going to take a few more days to get it done, but we expect that they're probably going to complete it about the 25th of the month. You know, no later than before August, for sure.

A big note that I'd like to bring up is that the harbors, you know, the harbors were heavily impacted last year. We made sure that we got a couple of extra dredges, so that we can dredge more harbors at the same time this year, so that we don't get behind the power curve, because what happened last year was that the water fell out. We couldn't get into a harbor. Those port captains didn't want us, you know, trying to put a dredge in to dig it deeper. We just said we'll light-load and we're, you know, let us just get our stuff out because you put a dredge in there at these depths, and you know, you going to shut the harbor down until you're dredging, and labor is just trying to get a product out. So, this year, we're ahead of it. Both Vicksburg District and Memphis District. Another storm came through, I guess.

(Whereupon a strong thunderstorm briefly interrupted the electric power at the conference room.)

MG GRAHAM: No PowerPoint. We have to stop talking.

MR. POINTON: That's right.

MR. CHAMBERS: Well, all right, so it changes so much we're probably going to get more rain, so we'll see. If that doesn't change -- But anyway, we're got a couple extra harbor bids to celebrate.

Ahead of the harbors, we are very well funded on our harbor dredging efforts this year. We got to get some money so we can get those extra covered in the dredges in there so we're out of the harbors. You know, we're really happy with that. And then, you know, we'll continue to coordinate, two or three times every week with our local maritime committees, you know, just to get their feedback on what's going on, get some help, you know, on areas that maybe we weren't tracking or we're having issues, and then addressing, you know, that helps us decide what we're going to address. It's been very successful. And in fact, we were very well funded in dredging for this year. Coming into the year, let us get ahead of it, instead of trying to wait until the last minute to conserve funds. Getting out ahead of

it now, you know, whenever we do dredge in certain areas, there are impacts. There are times where we can't pass traffic without instability. The safety of maritime commerce and then also for the safety of our dredgers. So, working through that, you know, tracking our plans really closely, and I don't know what slide you were on, I guess you-all have the printout, so it'll probably be the next slide or keep Headquarters informed, 30, 60, and 90 days out on any funding needs that we can't handle internally, you know, and we're tracking those very closely.

You know, so far we are in good shape.

The last slide that I have here is just showing that, you know, in closing, this kind of shows the new MVD command alignment. We had a change in command, we got a new commanding general. General Holland is retiring, and General Peoples will come down to assume the command. And then I guess you-all could see all the other changes. Colonel Andy Pannier went to St. Louis from a deputy at MVD to commanding the St. Louis District, and then there are the current district commanders, and the Mississippi River Commission (MRC) there on the right-hand side.

Aside from your questions, that's all I have for you today. I'm glad to entertain anything. Marty, of course you got something, so I'm going to go to Marty.

MR. HETTEL: Pat, you know, more than anything – I do have one question. But more than anything, I want to thank you as it sure is, to me and to all of our people, that the Corps has been much more reactive this year to the low water conditions versus what we experienced last fall, so I wanted to get that on the record, and thank you for being proactive and bringing these measures up and getting these areas taken care of before we hit the drastic low water conditions.

My one question, and here we are, Mother Nature will prove this or not. As your slides show, we're at or below some of the 2022 river status that we experienced last year. Now, again, it's all dependent upon rainfall, we know that, but are you prepared if we get into these drastic low water conditions that – like, minus 10.9 feet of river stage last fall. And I hear you talking about rain gutters for the harbors and that's because the harbors needed that last year. They were kind of the last minute but is there -- and I see you've got the power -- the Dredge JADWIN, and the Dredge HURLEY all working and thank you for taking them to the only place right now where we are restricted. So, it would be nice to be up there Monday, start dredging up there, it would be nice to get that finished up. I guess it's busy over in the upper peninsula dredging. That only leaves the one dredge. If it gets that bad, are you going to bring that dredge up to the shallow water also?

MR. CHAMBERS: If necessary. We did it last year. Brought it up back in December of last year. If it gets to where we have to, you know, we'll make adjustments.

MR. HETTEL: Okay. Well, again, thank you for being proactive this year. It's certainly been better than what we experienced last year. And I know last year, there was a lot of reaction to the drought all at once and the whole deal, but I certainly want to thank you for what you've done so far this year.

MR. CHAMBERS: Yes, sir.

MG GRAHAM: Just a checkpoint, since we took a look at water levels at Memphis and looked at it from July 17th to September 1st. Over the last 35 years, we've been able to improve water levels at

Memphis four times in the last 35 years. We looked at it to October 1st, and we only did it five times, and one of those was in 1988.

MR. HETTEL: So, this is just to highlight, you know, thank you for being proactive on dredging and it just feels like, I mean, we've got a lot of heavy lifting left to do. When we look at our forecast internally, we're looking at below normal water, precipitation in the Midwest for the month of August. So, we think it's going to be slightly under normal. So, it's going to be really, really hard to improve water levels significantly on the Lower Miss.

MR. JEFF WEBB: Go ahead, Damon.

MR. JUDD: Mr. Pinkham, you mentioned that some of your comments and Secretary Connor on the same panes in Pittsburgh that, you know, resiliency of the system is critical, and I guess one thing I just want to highlight is this Board can focus on the infrastructure side that supports the system and Pat, I don't know if you could maybe share. As we look at the dredging resources there that are integral to supporting the system, and we look at the, you know, kind of your critical dredges, what the average age is, what that is?

MR. CHAMBERS: The average age of our critical dredges is very old, they have been dredging for 70 years.

MR. JUDD: I just guess from the Board's perspective if that's something that, as a country, we need to keep our eyes on because, you know, this is the same as how do we catch up on the lock and dam infrastructure. We need the appropriate dredging resources for the future, or else we are going to have big issues going forward. Thank you.

MG GRAHAM: Mr. Judd, thanks. Can you go to one of the graph slides, slide #5, that's a good one, of the last presentation on low water.

Yes, slide #5 of that last brief. While they're pulling that up, we hadn't seen low water for the last what was it, ten years?

MR. POINTON: 2012.

MG GRAHAM: 2012. Right. So, I hadn't seen that. And then we saw it in 2022, so it had been a decade, we are a little rusty, we haven't done this at that level, but we caught up pretty quick. And Mark, to your point, we were much more attuned to it because we just lived through it. And it's really my hat's off to MVD for seeing this early on.

So, two points I want to make. To Mr. Judd's comment, We understand that those dredges that Pat has are old, we're going to have to believe that those lines aren't just going to show up there at the bottom of that graph once every ten years. This might be a new normal. I don't know, but you know, in 2022 and 2023, and it's not a happy trend, so we got to acknowledge that right now.

And as Mr. Pinkham has said, his team is out briefing the White House on this and we're banking a fair chunk of the nation's economy and businesses on a couple of dredges that are – pieces of them pushing 100 years old, so Tom Smith has already started the plan to figure out how to recapitalize those and

those go to the very top our priority list. We've got the hoppers set and we're moving forward with right now. So, we have to keep the reserve hoppers seaworthy, safe for our mariners, as you've always pointed out to us, but we also have to make sure that we're not putting the nation's economy and your businesses at risk with Pat's 100-year-old dredges, so you have our full attention and Tom's working at putting together a strategy that recapitalizes that fleet. Because I fully expect that we're going to get more lines towards the bottom of that chart. Okay, first piece.

The second piece, more into the here and now, is MVD and Pat, we've told them to dredge, dredge, dredge, and we will figure out how to get the money. It's the assurances we've got. So, we're going to keep that river open and we're going to do our absolute best to keep those harbors open. And we're going to keep funding Pat what he needs to deliver on that commitment, okay? We are going to keep that river open. You can count on it. There might be some restrictions from time to time, but that's our commitment. Please?

MR. MURPHY: Gentlemen, this is Spencer Murphy. I wanted to thank you for articulating the recognition that we shouldn't treat this as a one-off, that we should be planning as if this is going happen on a regular basis, and certainly, I appreciate you being proactive with dredging and learning from where we need to have dredges before you need them. All that is, like, really excellent, but the other piece of this is for water management. And I know in 2022, in reaction to low water, there was a lot of work done with – we had a discussion to release some water that will lead to a pump in, you know, in Cairo ten days down the road, and I'm just wondering, how is that going to be systematized going forward because again, if we look at the stick graph, you know, there's multiple sources of water coming in, including the Missouri, which I know has its own manual, one on the Upper Miss, the Ohio, and then you've got TVA. So, you've got multiple parts, all of which have some role to play in water being released. And I just think, when it occurs, I ask, is there in the same way that we're being kind of proactive in creating a system for dredging ahead of time, is there a water management plan ahead of time so we know we have these pools available, potentially, if the river gets to this stage, well, we can go there, and how that works going forward?

MG GRAHAM: Want to take a stab at that, Pat?

MR. CHAMBERS: Yes, sir. Our water control managers work very closely during these times of low water and also very well in floods, for sure. Low water, and they're even more working, you know, where they can get waivers in order to deviate from those manuals when they have to, and to what extent they can, their limitations, you know, that they have. And they're working through that. That's one of the things that we're doing in the low water action plan, you know, that we are drafting now. We're going to plan to have that out in August to discuss with the industry, the Coast Guard, and all the other players that are potentially part of it. The TVA now are in that discussion. I think one of the biggest things that we can do is that coordination between those.

MR. MURPHY: Thank you. And just final question on that point and in general, who has the final say on if we potentially release from this location, or that location. Does that rest with you, or Mr. Connor, or Mr. Connor's ultimate boss? I mean, just curious, because there are so many moving parts, it can be tough to know who's got the ball to make sure that these final decisions are made.

MG GRAHAM: For the most part, those rest with the water managers, deviations then go to the district managers, in some cases, up to the district commanders. And so, we've got a process, and we've got a

got a good process. We've proved it last year, and so we'll take a look at some tweaks and then maybe what we're going to look at is can we deviate now to hold more water, specifically in some of the Middle Miss reservoirs that are off the mainstem. To hold on to a little bit – a little but not so, you know, this doesn't cruise on down to New Orleans. That if we can hold to it more than we would, but there's impacts to boat docks and recreation and things like that as well. So, we'll take that one on, but this isn't new to us. For the folks on the west coast, we've gone to forecasting for our reservoirs operations to try to take some risk, prudent risk with holding onto more water for water supply purposes. And the risk is, well, if we get big, giant rainstorms or snow melt from the Sierras, that we have used up some of our flood storage. Out west, we can see those atmospheric rivers that you heard about this winter coming, and so we got some good science that says, well, this is prudent risk. We can hold onto more water just in case these atmospheric rivers don't show up. And Mr. Connor's been giving us a lot of good guidance and direction, to get really aggressive on moving forward with that. Same thing you probably need to apply here. And that's our commitment to you, and I'd be happy to come back next Board meeting and bring some water managers just to lay that out for you, okay?

MR. HETTEL: Marty Hettel, I just want to make one more comment that Pat references on the age of these dredges and the need to recapitalize them. I think, isn't it the Dredge POTTER that's 90 years old?

MR. CHAMBERS: Yes. The Dredge POTTER turned 90 in October of 2022. The JADWIN turned 90 in February of 2023.

MR. HETTEL: Pretty amazing that you guys can do the work to keep these things operational with a 90 year old asset. I know, in our industry, we look at one of the larger horsepower towboats. It's all, what's our daily repair cost versus replacing that asset? That's something we ought to look at in the Corps, too. It probably just got out of maintenance, right? It's been in maintenance for almost three months.

MR. CHAMBERS: We had to redo the ladder, you know, for the dustpan mainly.

MR. HETTEL: And the point being it's not cost to recapitalize it. I'm just going to throw a number out there. If it costs \$50 million to build the dredge, if you're putting \$10 million a year in maintenance in it, you get a payback in five years. So, I think it's something we really need to look at to replace these antiquated pieces of equipment that were doing so well in keeping operational on the river.

MR. SMITH: Tom Smith here. Just, we don't need to look at it again. It's just a question of how quick, based on the strategy that, you know, has to be very litigated with this, and probably still will be, this is – we are going to do this. I think, if you walk back a little bit, we have a little bit of an institutional inertia that will never be able to get to do these things and so, you know, the direction is clear, the situation is clear. Now, we just need to get after it because, you know, if we're at capacity in that, for once, there aren't very many manufacturers of dustpan dredges, and so it's still a physics problem, but it's not a lack of will or foresight. We don't want to keep spending money on these. I mean, these dredges are killing us. But we have a little bit of an internal inertia that was kind of an industry paralysis type of programmed through that. It's just a question of how we do it now, so when you start down the path, you actually get there. You got to start somewhere. We'll collapse in a year. We won't get there. So, we've got the right plan, but overruling the voices of our group in here, because there will be some resistance somewhere, some way, you know. And those need to keep

working, so...

MG GRAHAM: Two points -- go ahead.

MR. MURPHY: Help us help you.

MR. DENNIS OAKLEY: Dennis Oakley. If you were to order a dredge today, how long would it take to get one?

MR. SMITH: Five or six years. We have to design it, it would take a year to design, and within four years, acquisition and construction.

MR. OAKLEY: That's scary.

MR. SMITH: Yeah. It's scary, but, you know, if you start today, then you get a dredge in five to six years. So, you know if you never start, you never get there. So, I think, in the past, we've resisted because we break through the first barrier which is tackle both and do it. Once you break through that, you can start to get there. And then you have one in five years. So, you operate it for 90 years and you do the maintenance and other things, and we'll keep the river up, whichever way you can.

I think the other point I need to talk about, dredging is, you certainly know that that is tool in place, but, you know, it's water management. There's a lot of events going on there especially. It's not new to us, but until we have more data that can do better, and then there's another thing, which is a little bit new, which is this steady adjustment of our river engineering, meaning the folks in here who are listening to Pat and I talk the problem saying, hey, why don't they mention all the river engineering, and these structures that are getting a better performance in the river than we had in 2012 with the same dredges. So, there's a lot of other things, but this is a must on the dredges. It's just a question of there is a physics issue and there's a shipyard issue. There are Jones Act issues. There's a political issue about what we're doing.

MG GRAHAM: Absolutely. So we are, as Pat laid out his numbers, you know, 17 dredges working right now. The majority of those, ten of them are contract dredges, so we're going to continue to leverage industry to assist, as we've been doing all along. We have some reliable baseline government capability to go along with that. That last page, and I would just be remiss if I didn't mention it, though. As Pat's team, the people behind all this, that's not lost on this. You know, riding that bottom part of that curve means I've got a lot of folks that are doing a lot more work than they're normally used to. That's a pretty big leadership challenge. I think some of those were with us in St. Louis when we went out to visit Pat's dredgers, and those are some tired folks, so what we're working on right now is making sure that we're going into this realizing that this is a marathon and we're taking care of our people as well as we're doing that, right, with the right amount of crews that can keep those dredges running, okay? Anything else on you know, I want to make sure that -- and you heard Mr. Pinkham talk about the White House is paying attention to this. They understand that this is a huge part of the nation's supply chain, a critical piece of it. We learned and got better from last year. We've got Marty to thank for that feedback. Our commitment is to keep the river open. And so, if you see anything where we could get it to better it, you know, you don't have to wait for the October meeting. As you know, most of you have Pat on speed dial, so just let us know. I know we were looking at, where can we get innovative on some, you know, depth detection we're shoaling is occurring. We leverage what

you're seeing out there, so that Pat can get a good understanding, and we aren't chasing hotspots and moving dredges inefficiently all over the river. It's then we can see what's developing and come up with a good, methodical plan that efficiently uses our assets and we're not going from crisis to crisis, so great team within MVD with the Water Action Team. Did I get the name of that thing right?

MR. CHAMBERS: The Water Action Team?

MG GRAHAM: Yeah. It is when you go into, you have a plan for dealing with low water and communicating with industry, right?

MR. CHAMBERS: Yes. Yes.

MG GRAHAM: Okay.

MR. POINTON: RIAC (River Industry Action Committee).

MG GRAHAM: RIAC? Is that what it is?

MR. POINTON: Yeah.

MG GRAHAM: Okay. Anything else on low water? Anything in your heads that you want to turn over? Anything from our government partners? Okay.

MR. POINTON: Thank you. Thanks, Pat. Next on the program, we're going to get into the other Ohio River area projects. We did see Kentucky, and we got a lot of briefing on Kentucky yesterday, so we're going to move into the Lower Mon, the Monongahela River Locks and Dams 2, 3 and 4 Replacements. Steve Fritz is not here with us today. H's on vacation. I've talked to the Colonel and told him to cancel that, and he wouldn't do it. Yes, I'm totally joking.

MG GRAHAM: No, no. He showed up for a meeting with the CG yesterday, so he did cancel his leave for a day.

MR. POINTON: He did cancel his leave.

MG GRAHAM: Yeah, fortunately.

MR. POINTON: Well, we have a couple people here from Pittsburgh to talk about the Lower Mon Project and also talk about the Upper Ohio. So, Mr. James Shibata, you ready to go, sir?

MR. JAMES SHIBATA: Yes, sir.

MR. POINTON: All right. Thanks.

MR. SHIBATA: All right. General Graham, Mr. Pinkham, Mr. Murphy, Board members, and federal observers, I'm James Shibata. I'm the Chief of Program and Project Management with the Pittsburgh District. I'll be briefing you on the Monongahela River Locks and Dams 2, 3, and 4 Project, otherwise known as the Lower Mon Project.

Next slide, please. If you're not familiar with the project, this project includes three lock and dam facilities and also, the work along the river, in the Monongahela area, so along the Lower Mon river. So, the first facility is at the New Braddock Lock and Dam, and we completed a replacement of the fixed-crest dam back in 2004. At Charleroi, we're currently working on the first of the two authorized lock chambers. The second chamber is being converted to an auxiliary lock and will be suspended out to the 2050s, and then we're planning on awarding contracts to remove Lock and Dam 3, and that will cause the pool changes that you see in the difference between the existing and proposed graphics up on the screen. We've already completed the new Pool 3 navigation channel dredging in 2022. These pool changes require the adjustment and relocation of approximately 70 shoreside facilities that are owned and operated by various municipalities along the river. And with the removal of Lock and Dam 3, the river loses some of its high-quality fish habitat, so we are authorized prior to construct a new fish habitat to account for the loss.

So, a summary of the project.

The next slide is a status update on the project. Regarding safety, there was one additional safety incident report since the last Users Board meeting. That incident involved a contractor employee who injured their finger on scaffolding. For the most part, all the incidents can be categorized as slips, trips, and falls, but we work with our contractors and are committed to a safe work environment. We need to work together to make continued improvement. As part of that improvement to reduce safety incidents, we have three items that we bring up for job site cleanup. We have housekeeping items that are actually completed by foremen that have been added to the workforce. We have more frequent safety stand-downs, and we also have frequent safety walks with the SSHO, the staff, and our safety office.

Regarding the project schedule, there are no changes since the last Users Board meeting. This slide doesn't note that we expect to award the Dam 3 removal contract in July. We did open the bids on the 6th of July for the removal ops, so there's a potential that we're thinking that it'll more likely be in August. Right now, our office accountants are contracting and we're working through the low bid and making sure that they meet all the requirements of the contract, but speaking to that, the actual demolition isn't planned for our schedule to be done until July of 2024, and then completed by December of 2024. And then with that, we then start to see some benefits.

We do have some challenges getting that on board. We do have some floating scheduled to do before that contract in order to meet that schedule. Financial status is also the same as reported last year or as of last few of the Users Board meetings. The goal is to have a new cost certification by the end of the calendar year. Any questions before we move to the next slide?

So, some key activities to discuss, the physical work at Charleroi continues and it continues to progress well. The new river chamber was filled with water in late May, which facilitated gain in the miter gates in June. As of last week, the bulkheads were set, and the dewatering has started. This dewatering of the facility makes the contractor able to make the final adjustments to the miter gates and do some secondary concrete placements inside the chamber. Following the miter gate adjustments and the concrete placements, the chamber will be filled once again, and then we will have operational testing completed. Sorry, this summer. It was planned that in the November-to-December timeframe that the new chamber will actually be allowed to pass commercial traffic, and it will be an opportunity for us to move through the chamber, and then provide feedback with us as we're going through that testing phase.

And then we'll kind of have operational, a fully operational chamber in the new calendar year, so January of 2024. When the river chamber is fully operational, the land chamber will be closed to navigation. The river chamber contract was expected, or the overall chamber contract is completed in the summer of 2024. And then we are currently developing a long-term closure plan for the land chamber to ensure safety and minimize any sort of long-term or short-term impacts to navigation. And on the previous slide, we already discussed the Lock and Dam 3 removal contract.

While Lock and Dam 3 is being removed, will continue to lock through Lock and Dam 3 chamber, and when the dam is completely removed in December of 2024, traffic will begin to bypass the lock. That's where the project benefits will begin to improve.

As part of the environmental mitigation for the project, we're committed to constructing 73 fish reefs. These fish reefs mitigate the habitat losses associated with removing Dam 3, and the fishery contract was awarded in May and the work is expected to begin near the end of this month. And that contract for the fish reefs will wrap up in December of 2024.

For the Charleroi elevator it will be advertised, and we will expect to open bids tomorrow on the 21st, and then the government one for Braddock, we only had one bidder, and so it wasn't within a biddable range, so we'll have to resolicit that. We will keep working at that, to get that awarded. And the final key activity on this slide are the relocations. We're currently working with two communities that have riverfront parks. The primary goal is to get these two relocations completed before the full change in July of 2024. The remaining obligations, remaining reallocations of those other eight projects are best accomplished after the changes.

The next slide provides a funding summary update, bottom line is in round numbers of 2014 project baseline process. That was \$1.2 billion to complete the 90 percent project benefits. Project has received \$1.1 billion to date, and we expect the project to remain below that \$1.2 billion of the working baseline process. In the past three years, there have not been any changes to the funding portion of this slide. We continue to show a need for \$41 million in FY24. Recently, the House released its recommendations for the FY24 appropriations and Charleroi was identified for the \$41 million as a community project. At this point, we're not ready to share any needs for FY25. We're working out those final costs by the end of the calendar year. Yes, sir?

MR. HETTEL: James, Marty Hettel here. I've got to ask this question, and thanks to the good work that Mark did on these unobligated balances. When you look at the \$20,386,000 unobligated in the trust fund and match it up with the 50%/50% General Treasury, that's almost \$41 million. Is that just coincidental that you got \$41 million unobligated, but you're asking for \$41 million more, or?

MR. SHIBATA: I believe it's just coincidental, sir. For the aspect of the unobligated funding, we're planning to make that award for the removal of Lock and Dam 3, and so that funding is for the project already. The unobligated is part of the overall project cost. The \$41 million is more attributed to the closure of the land chamber.

MR. HETTEL: Okay. And the second question on the mothballing the Charleroi old chamber, is it critical to do that? I mean, there's no obstruction operating in the new chamber if you did nothing at Charleroi. Is that right?

MR. SHIBATA: As I understand it, there's some challenges with the accumulation of debris within the chamber if you don't set it up to provide a way to open up the chamber to allow the debris to be passed through, and so we're just making sure that we have the right, the proper dam and features in place to allow that debris removal.

MR. HETTEL: Okay. Well, depending upon what that cost certification is, as you'll see in these upcoming projects, so we've got quite a few projects that are going to demand some pretty expensive funding going forward. So, my question is, is it critical that you get that funding in 2025, or is that something that we can delay until we get these other projects caught up on funding?

MR. SHIBATA: I don't have that answer. I can take that back as a question. We will need to see where the priority for the project is, but obviously, as you're alluding to, I think, for the overall 90 percent project benefits, we have the funding for that.

MR. HETTEL: All right. Thank you.

MR. SHIBATA: Any other questions? All right. Next slide, please. And then identifying some issues and challenges. Our biggest challenge or issue is assuring that we have adequate funding to wrap up the lock chamber closure and otherwise, the land chamber has sufficient funding to reach 90% benefits, but insufficient funding to complete necessary remaining work out to the 2050s, so we are working to address these funding needs and provide the cost update.

So, we have made some recent positive headway toward completing some critical facility locations with the facility owners. We're working through some internal coordination to get the relocation agreements approved. Due to some recent process changes, we're working with our division office to get some and to make sure we move forward with those.

The last risk I want to mention is related to siltation of the new navigation channel. As I mentioned before, we completed the dredging in 2022. We have been doing some surveys, and the surveys have indicated that the channel has remained stable and only very little siltation. Earlier this month, we completed another survey. Those results aren't available yet. We want to continue to monitor this and still make changes in 2024.

This next slide is just some recent progress photos. In the top left, we have a picture of concrete being placed in the chamber. This is where there was some poor quality bedrock. We had to pour concrete on top of the channel bottom and the top right picture that shows the other areas where the floor chamber is actually filled with rock before we fill it with water. Bottom left, this is looking downstream of the filling ports, and upstream of Minersville. And the bottom right is looking upstream as the chamber is being cleared of water. You can see the pump off to the right there.

All right. I'd like to conclude unless there's any questions. All right.

Thank you for the opportunity to share the update on the Lower Mon Project.

MR. POINTON: Thank you. Appreciate it. No further questions on Lower Mon, so I will move onto the Upper Ohio Montgomery Locks, so we've got Chris Dening here who I think is the project manager for that – for the Upper Ohio Project.

MR. CHRISTOPHER DENING: Yeah. I'm the PM for Montgomery.

MR. POINTON: For Montgomery. All right, take it away.

MR. DENING: Good morning, General Graham, Mr. Murphy, Mr. Pinkham, Board members, federal observers, and guests. My name's Chris Dening. I'm the project manager for Montgomery Lock, and I'll be presenting an update on the Upper Ohio project.

Next slide. Just a short recap of the Upper Ohio Project, it's condition driven and includes the three uppermost locks on the Upper Ohio River, Emsworth, Dashields and Montgomery. Each of these three facilities will be replacing an existing auxiliary chamber with a new 600-foot chamber, which will become the new main chamber once the projects are complete. The existing chamber will then function as the auxiliary chamber.

As far as overall project status, we continue to expect to be making an award for the Montgomery Lock new river chamber near the end of next year. As far as funding goes, we were considered fully funded through the Bipartisan Infrastructure Law (BIL). However, based on our most recent cost update, we'll be talking in subsequent slides, we do believe we will anticipate needing more funds to complete the project.

As far as the total project cost, we do have a certified cost for Montgomery. However, for Emsworth and Dashields, we are still in the process of getting those certified, and our goal is to have them completed by the end of this calendar year.

As far as Emsworth, we've received \$77 million in BIL funding, and that's enough to complete the design, real estate acquisition, and small portions of construction for Emsworth.

This next slide represents an overall project cost and snapshots for the target dates for design and construction of the major features. Again, to reiterate, the total project cost is still evolving, and we need to get certified costs for Emsworth and Dashields.

MR. HETTEL: Chris, Marty Hettel here. On this slide right here, it's the exact same slide from our last July Board meeting, the total cost, but yet as you'll see when you get to your Montgomery Lock funding, you've added almost \$513 million, but it's not included in this total funding slide.

MR. DENING: Yeah. I'm having a hard time seeing it from here, but it should include the Emsworth and Dashields, previous eyeballed numbers, plus the \$1.7 billion from Montgomery.

MR. HETTEL: Well, I can tell you it's the same as the slide from our last Users Board meeting, and the additional \$512,086,000 you got for Montgomery is not in the total project cost slide.

MR. DENING: It was probably a mistake. I apologize.

MR. HETTEL: Okay.

MR. DENING: And as you can see here, too, as far as construction, we're planning on doing the

constructions at this point in series, starting with Montgomery, then Emsworth, then Dashields. Pending any questions, that's all I have on this slide.

On this slide, the Montgomery update, we do have a certified cost for Montgomery, completed in June. The certified cost is \$1.7 billion. This represents the total Montgomery Lock project costs, more than just construction, and it also includes significant, sizeable contingency to cover market uncertainty and inflation. Most of this contingency will either be realized or eliminated at the time of award for the new river chamber after we get proposals and make a selection. It's our goal to obviously complete this project for the best value we can.

MR. HETTEL: Chris, Marty here. My goodness, this project has more than doubled in cost since it received the IJA (Infrastructure Investments and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL)) funding. What's driving it?

MR. DENING: The major driving costs that we're seeing at this time is inflation and contingency to account for future inflation, so those are the two biggest drivers of the cost.

MR. HETTEL: And was your cost estimate certified through Walla Walla (USACE Cost Engineering Center of Expertise)?

MR. DENING: Yes.

MR. HETTEL: Okay. The second question is, we saw on our lock tour yesterday at Kentucky Lock, actually, the current 600-foot chamber at Kentucky Lock is utilizing the natural rock bottom. In the new 1,200-foot chamber, they're not going to pour cement in the bottom of the lock but will continue to use the natural rock bottom when building that chamber. Back in 2018, there's a Value Engineering study that was done on this project. It lowered it, as you'll see in one of your slides, down to \$1.8 billion. And one of the biggest cost savings through that Value Engineering study was to use the natural rock bottom on these rock chambers because this -- you're fortunate that this is a pretty natural rock bottom up there. This Montgomery Lock project, are you going to pour slab -- are you going to pour cement on the bottom of the rock, or are you going to look at that Value Engineering study and see, is it worth me spending that many dollars to pour cement in the bottom of a rock chamber, when you can use the natural rock bottom, similar to what we're doing in Kentucky?

MR. DENING: Montgomery actually would be -- the filling and emptying system is, I believe, 18, 20 feet above the natural bedrock, so we are going to definitely do some backfill just to support the filling and emptying culverts, and then we will be putting in some sort of scour protection at the outlet ports for the culverts, so...

MR. HETTEL: Okay, so does that force you to pour cement in the bottom of the lock chamber, a cement floor?

MR. DENING: We will not have a cement floor at the lock chamber, yeah.

MR. HETTEL: Let me ask you, is there any more ideas from the Value Engineering that could lower the price of this lock from \$1.7 billion?

MR. DENING: Not that are still in effect. All the Value Engineering study proposals that made it through the rigor of design are still in effect. Really, the one that really kind of pushed us off is when we changed from an in-the-wet approach to an in-the-dry. That was probably the biggest design cost change that occurred. And that, coupled with some of the geotechnical parameters that we encountered during our investigations, account for both of the design cost changes.

MR. HETTEL: Okay. My last question; Emsworth and Dashields are very similar to this project you're doing at Montgomery. Should we expect those to cost us \$1.7 billion also, versus the \$1 billion you have in your presentation?

MR. DENING: I can only see to what we can kind of try to project today. Those two locks are being built significantly in the future compared to where Montgomery is today. They will already have been affected by all the inflation you've seen in the last three or four years, and they will be affected by the future inflation. What I believe is that, eventually, obviously, the inflation is going to stabilize. The supply chains will stabilize. And so those risks would not be accounted for or included on Emsworth and Dashields.

MR. HETTEL: Cross that bridge when we come to it.

MR. DENING: It really depends on the environment we're in when we –

MR. HETTEL: Cross that bridge when we get to it, I guess.

MG GRAHAM: So, Marty, yes. I would say, sitting here today, yes.

MR. HETTEL: So, of the \$1.68 billion, or estimated \$1.68 billion for Montgomery, how much of that is contingency?

MR. DENING: Yeah, how about we, I'll share that with you.

MR. HETTEL: Not in a public setting? Okay.

MR. DENING: Given the fact that we're still in acquisition, there is issues --

MR. HETTEL: I understand.

MR. DENING: A big, big chunk of that is.

MR. HETTEL: Okay.

MR. DENING: Okay. Happy to share that with you, but we've got to maintain a competitive environment out there.

MR. HETTEL: I understand. Thank you. That's all I've got. Thanks.

MR. DENING: Thank you.

MR. MURPHY: General, this is Spencer. Just real quick, at the time when the BIL was passed, it was intended that would be full funding for this project, correct?

MG GRAHAM: Yes.

MR. MURPHY: So, any overage -- I'm thinking for when we speak to our friends in Congress about how we obtain these funds, the original award was meant to close out this project with 100 percent federal dollars? Yes. Okay. I just wanted to confirm that, thank you.

MG GRAHAM: Are you allowed to answer your own question in the meeting?

MR. MURPHY: I just did.

MG GRAHAM: Okay, all right. So, Mr. Pinkham, do you want to add anything? You don't have to.

MR. PINKHAM: Well, I guess just that we're not confined with other restrictions of additional appropriations. When you start, you've got to finish it with that resource. Here we don't have that limitation anymore.

MG GRAHAM: Yeah, good point. Good point. Hey, what I would say, Mr. Murphy, is we do want to finish what we start and that's recommended. To Mr. Hettel's comment on hey, are we expecting these 600-foot chambers to come in at \$1.7 billion, sitting here today, that's probably a prudent assumption to make. I mean that's with all sorts of -- that's not the cost of the contractor. There's a whole bunch of other costs put in there, but if my running tab, sitting where we're at, Kentucky, I think the slides that we just saw given, you know, we now understand that was inefficient funding over the years. You know, I think that \$1.6 billion is where we're at for 1,200-foot chamber? Okay, so a 600-foot chamber, what we just heard from Chris is it's maybe \$1.7 billion. So, as we're getting into the later discussions, when we start talking 2025, at LaGrange, and another 1,200-foot chamber, what's a reasonable price to put on the table for that? Okay, probably somewhere north of a \$1.7 billion. And then in some of these -- the Upper Ohio, the Monongahela River, Pittsburgh controls a lot of it with the reservoir system that it's got. When we start getting down here, it gets us to, let's learn from, certainly, my favorite, your favorite project you were just -- Olmsted. There's a bunch of more unknowns in that because Mother Nature's voting in and that's what we will take a hard look at with 2025, and we'll get more on that here today, but that one has a lot of risk in it and a lot of risk to you because it's very busy.

MR. HETTEL: General, if I may?

MG GRAHAM: Yeah, please.

MR. HETTEL: To finish up here on Montgomery. All right I'll speak up. When we get to that, and I understand that the reason why we're building Montgomery because we had that big burst in the middle wall failure that would lose the entire transportation system up there. So that's why the Capital Investment Strategy had Montgomery where it's at. Now, as we move forward into 2025, developing a new, or a revised Capital Investment Strategy, do you think you'll have the certified cost estimates for Emsworth and Dashields at that point in time? And if you do, we'd like to see a benefit/cost ratio (BCR) on those facilities so we can wrap and stack our Capital Investment Strategy priority projects right now. That's just a request, assuming -- and the only reason I'm requesting this is the Upper Ohio

and Mon River projects that I'm talking for the Users Board.

MR. DENING: We can certainly look into developing this.

MR. HETTEL: Yeah, because we probably start our new Capital Investment Strategy sometime next year, right? Mr. Chairman? Because that's about a whole year process to get through. So having that estimated cost for Emsworth and Dashields and the benefit/cost ratio would certainly help us rack and stack these products ahead of us for their benefits to the nation. Thank you.

MG GRAHAM: So Marty, we'll surely get you the updated cost estimate. That will be our goal. I can't think through the benefits piece. Certainly, you're going to, as part of this Board, when you come up with your Capital Investment Strategy, maybe I'll ask Spencer this, you rack and stack that right off of cold benefit/cost ratio, right? You put different factors at play, equities to the industry as you craft that?

MR. MURPHY: Yes. This is Spencer. Yeah, it's not strictly BCR. And I mean, I think as you know, the Capital Investment Strategy has benefit to the nation, subjective to components built into how we rank it. And I think we take some more approach, obviously, the BCR is really important, but that's between two projects. I'm sure the industry would have a discussion about, you know, where does it tie, what's the tiebreaker for two equally compelling projects, depending on geographic spread. You know, there hasn't been a project built in certain areas for a while. That might be your tiebreaker. Could be any number of things.

MG GRAHAM: Right. Okay.

MR. HETTEL: And General, just to comment on that. I've been through this Capital Investment Strategy twice now and there's two major things that we look at, and anyone else that has been through them, correct me if I'm wrong, and that's the benefit of the nation and risk of failure. Those are the two main things that we look at.

MR. POINTON: Benefits to the nation.

MR. HETTEL: Yes. The risk of failure and the benefit to the nation.

MR. POINTON: Okay. Benefit to the nation is defined by the benefit-to-cost ratio, or is that the difference?

MR. HETTEL: Well, I guess a lock that moves 28 million tons is probably more beneficial to the nation than a lock that moves 12 million tons.

MR. POINTON: Okay.

MR. HETTEL: But that's the two prior -- the two we've looked at is the benefit to the nation and the risk of failure.

MR. POINTON: That's helpful. Thank you.

MR. DENING: All right. So, we continue to intend to award a substantial base contract in 2024 and as

many options as we were able to do at that time. Currently, we have two contracts ongoing at Montgomery, a concrete batch plant site development contract for \$12 million to develop the site for the future concrete batch plant and the on-site development contract, \$3.66 million, and that is to build the esplanade out a little bit with some new utilities and construction trailers and the fire suppression system for future support buildings there. They're all scheduled to be finished in 2024.

Regarding the new lock chamber design, it's 100 percent designed and it's going through its agency technical review and constructability reviews. We expect to have the package out in the street later this year.

Finally, of note, we have a groundbreaking ceremony scheduled at Montgomery Lock, scheduled for August 11th and Board members should have received or be receiving an invitation. If there are no other questions, we will continue with the slides.

There hasn't been any change to the slides since the last Board meeting, the risk of failure is still potentially out there. We've done a lot of advanced maintenance on the existing main chamber to get ahead of the maintenance curve on that. And then we have some additional maintenance planned for this September and December.

As far as the construction inflation costs, we've been doing a lot of market research with our construction industry partners. We get this project on their radar, so they know it's coming. So, they have an opportunity to plan for it and put it into their calendars, and also get feedback from them on what materials and supplies they think are the highest risk. So, we'll be incorporating an economic price adjustment clause into this contract to help alleviate some of that cost and risk there.

In the next slide, I'll touch on Emsworth briefly here, we did get \$77 million in BIL funds for this project.

We've been moving forward with some preliminary design efforts and physical models down at ERDC (USACE Engineering Research and Development Center) for the filling and emptying system and the navigation approach. And then we've also awarded and started work on our geotechnical investigations. And then finally, real estate. We've begun a preliminary real estate planning to acquire the required property that will be needed for the batch plant site. Pending any questions, we will move to the next slide.

We have similar risks at Emsworth that we have in Montgomery. We'll be employing generally similar methods to address them. Obviously, the funding is a larger risk at Emsworth than it is at Montgomery, but as far as the real estate goes, we've done the process on that. So were a little bit ahead of the curve. Just as we go through the acquisition, we can run into some problems potentially with environmental concerns or, you know, property owners. We may have trouble negotiating. So, we'll be getting a head start on that. Pending any question, we'll move on to Dashields.

This slide summarizes the cost of funding received for the work of Dashields. We received \$6 million that was to be used for modeling and geotechnical investigations. We'll be starting that work in 2024 to get that started so we can roll into design in subsequent years.

Other than that, not a lot of effort has been expended at this time on Dashields.

Next slide, the same challenges with Dashields containing mitigation approaches are in place. Pending any questions, that's all I have on Dashields. We're going to open it up for general questions.

MR. POINTON: Any more questions for Chris? All right. Thanks, Chris. Appreciate it. We're moving on to the Chickamauga Lock project next. I believe we've got -- you met her yesterday, Ms. Elizabeth Burks, who is the new Chief of the Integrated Project Office in Nashville. So, they are piling on, they've doubled down on her, so she gets Kentucky Lock and Chickamauga Lock, I believe. So, Elizabeth, it's all yours.

MS. ELIZABETH BURKS: Yes and thank you. Good morning, Major General Graham, Mr. Pinkham, Mr. Chairman, and our distinguished Board members, federal observers, and guests. My name is Elizabeth Burks. I am the Chief of the Integrated Project Office (IPO) in the Nashville District. I'll be briefing you on the Chickamauga Lock Project today.

All right. Our project is to replace a 60-foot by 360-foot by 5-foot lift, with a 100-foot by 600-foot lock. It was originally authorized in the Energy and Water Appropriations Act of 2003 and got reauthorized in the American Infrastructure Act in 2018. Construction of the new lock is required due to the alkali-aggregation reaction which threatens the strength, stability, and operability of the existing lock. Chickamauga passes one million tons annually and the new lock will reduce these commercial transit times by 8 percent.

We're midway through this slide. We'll look at the schedule next. The first column contains the original lock operational date and project completion date. The second column contains the current dates based on the 16 March 2023 certified cost estimate. Looking at the cost of the Fiscal Year 2022, your total project cost summary is \$954 million with the cost limit calculation of roughly \$1.2 billion.

Okay, moving to the next slide, this is an aerial shot of the project with depictions of post, ongoing, and future construction contracts. We currently have two active construction contracts, the Chickamauga Lock chamber, which was awarded in September of 2017, and the upgraded approach wall, awarded in September of 2021. The remaining project scheduled include the approach walls, decommissioning, and site restoration. The team is working to develop a contract, including advanced coordination with contracting official that will bring the lock online as soon as possible.

Next, this slide remains unchanged from our last report. The project safety is green. The project status summary remains red. The current operational date is November 26th. The project completion is September 2028. The financial status summary remains yellow with an earned value of \$401 million.

Looking down the page, looking at the executive summary. We have our lock chamber contract specific to the certified claim. Our Alternate Dispute Resolution (ADR) is scheduled for February 2024. The Defense Contract Audit Agency is currently in risk assessment and will be completed in October of 2023.

The concrete placement for this project is ongoing. They continue to make improvements in their production rates. I can report in the last two months, they made production of 9,000 square -- cubic yards placement each month. So that's exciting.

We move forward to the upstream approach wall contract. We'll look at the redesigns, or geology required revision to plan foundation, elevations. The contractor submitted a Valuation Engineering cost proposal for redesign of internal shafts. We expect the revised design to result in cost savings and recovery of some of the schedule.

The last piece of this, for the lock will be an approach wall, decommissioning, and site restoration. The contract package is in the development for future award.

Next slide is the schedule and funding chart that says, "Two ongoing contracts and the planned final construction fees with the approach walls, decommissioning, and site restoration" in the plan for the future. The lock will become operational during the final contract execution.

This next slide shows the project's allocated funding over time and have been broken up by the type of funds. The projects last received funding in Fiscal Year 2021. The total allocations today are \$717.6 million. The remaining capability to complete the project is \$236.8 million for a total project cost of \$954 million.

The next slide summarizes our ongoing challenges. The challenges remain the same. The lock chamber contract is significantly behind and efforts to regain the schedule have not been successful. And then the lock chamber certified claim, as we discussed earlier, should be complete with the Alternate Dispute Resolution finalized in February of 2024.

All right, next slide.

MS. TAYLOR: Elizabeth?

MS. BURKS: Yes?

MS. TAYLOR: Crystal Taylor, I have a question for you. On your prior slide with the estimated cost, does that include the contingency for this contractor dispute? If not, would we expect to see a cost increase?

MS. BURKS: Yes, ma'am. Thank you for the question. There is contingency in that project cost estimate, but that does not include the alternate dispute resolution. If there is a responsibility by the government to pay the contractor, so if the award -- if the government is responsible to pay the contractor, we would need to go to the Judgment Fund and request funds be provided for the contractor. Are there any other questions?

MS. TAYLOR: Okay.

MS. BURKS: Are there any other questions?

MR. POINTON: Yup. Any other questions? All right. Thank you, Elizabeth.

MS. BURKS: Thank you.

MR. POINTON: All right. We're at the point in the agenda. We're a little bit early. I shouldn't have

said that. That's going to come back and bite us in the second half. It's time for a break. So, let's take a 30-minute break. So, let's get back here -- it's about 11:30 right now -- so let's reconvene at 12:00.

MR. WOODRUFF: Is there any possibility due to the weather, and tight flights, that we can shorten the break a little bit? Do we need to fit 30 minutes?

MR. POINTON: Chairman?

MR. MURPHY: Fine with me.

MG GRAHAM: Fine with me. 15.

MR. POINTON: 15 minutes. 11:45.

(Whereupon a break was taken.) (OFF THE RECORD)

MR. POINTON: It's about 11:50, a little later than that, so we're going to reconvene. Colonel Green wants to make a couple of admin announcements.

Sir?

MG GRAHAM: We're on the other side of the floodwall.

LTC GREEN: Just for everyone here today, as you've probably heard, there's some thunderstorms passing overhead. We are monitoring along with the National Weather Service forecast. They're expecting to be passing through the area, probably through the duration of the remainder of our meeting but clearing about 2:00 this afternoon. If there is an extreme weather event that will require shelter, we've coordinated with the facility. There is a storm shelter in the lower level. We will interrupt our proceedings if that's the case. Would ask that these doors back here, where Lieutenant Lee is, would be where we'll exit and our team will escort everyone down to the shelters in that event, until we can be released but I just wanted to make that announcement so everybody's aware and we'll let you know if any actions are required. Thank you.

MR. POINTON: Thank you, sir. Appreciate that.

Next on the program, we are moving into the Mississippi Valley Division area of responsibility. So first off, we're going to do an update on the Illinois Waterway consolidated closure of 2023.

Colonel Curry is not with us today. We've got the deputy PM from Rock Island here, Matt Coffelt. So Matt, could you please give us the update?

MR. MATTHEW COFFELT: Yeah. Thank you. Good morning, everyone. As mentioned, my name is Matt Coffelt. I'm the deputy PM at Rock Island District, here giving an update on the Illinois Waterway consolidated closures.

So, not much to update on this first slide. We'll go ahead and go to the next slide, please.

So, I think as everybody knows, we're in the second phase of our scheduled dewatering, which we had the first phase in 2020. So, the 2023 closures did start as scheduled on 1 June, went through -- we got all three sites to dewater and we're making steady progress in all of the planned work at all three locations. Just a reminder, this this work is all 100 percent O&M funded. There are not (Inland Waterways) Trust Fund dollars associated with this -- with this project. We will go to the next slide, please.

So, at Marseilles, this is all work that we are performing with hired labor crews. The primary work going on at Marseilles is installing an electrical crossover, across the bottom of the lock. This is to have that in place for future replacement of the electrical systems at the lock. By installing this, we will not have to dewater or close the lockdown to do that electrical upgrade in the future. One thing I will mention here is, so anytime you dewater a lock, we go into just having do dewatering inspections. And so, one thing that we did encounter at, not only in Marseilles, but all three of the sites that we have dewatered, is we found that deficiencies in the existing lower miter gates at all three sites. These miter gates were installed in the 1990s, and we didn't have any planned work on these gates as part of the current closures. So those specific deficiencies include cracks in the miter gates and then degraded quoin blocks. So just bringing that up because that is an item that when we dewater any lock, we do encounter kind of unplanned work. And so, this is an item that we are now addressing that wasn't currently planned. And so, this is work that USACE has familiarity with. We have done these repairs in the past. We do have experience across the enterprise in doing that, and we have our subject matter experts fully engaged in supporting that repair work. We have imperative materials necessary and repair work is underway at Marseilles. Marseilles gives us a little bit of an opportunity to do the work at that site first where we don't have any contractors performing any work. It's just our in-house crews, so we're able to schedule that a little bit better and go through those repair works, and kind of -- and this will help us inform and expedite repairs, everything to do at the same date at Brandon Road and Dresden.

Just one thing of note, USACE does not have spare miter gates that would -- I guess, to be used at these sites. So that is one thing why we're pretty focused on getting the repairs made and within the closure time frame and just ensuring the reliability and integrity of the system. I will reiterate that we are confident that we will complete the repairs within the current scheduled time frame for the closures. If we could go to the next slide here.

At Dresden, this is the site that has the most work going on. There's a photo there of the dewatered lock, and this is pretty much all contractor work taking place at this site with the list there of the primary work activities. Alberici is doing this work. They were also a contractor that did work at one of the sites during the 2020 closures.

The next slide is Brandon Road Lock, another site that has a contractor working, Brennan. Another contractor that has experience doing work on these sites. They also were involved with the 2020 closures. Again, a list there of some of the activities that are taking place. Just another example of things that we encounter when we're dewatering a lock. The left picture, there shows an unexploded ordnance that we encountered when the lock was dewatered. So, we had the bomb squad come in and we were able to transport that to a local quarry where that was set off.

MG GRAHAM: Who knows. Who knows how it got there.

MR. COFFELT: Next slide, please. And really no updates with the future plans here. There is work to other sites that we will be doing in the future. But as with anything, we'll be communicating well in advance the schedule of those activities. That's really all of the update that I had for today unless there's any questions that anybody has.

MR. MURPHY: Martin?

MR. HETTEL: No. Mr. Chairman, you first.

MR. MURPHY: Please, just real quick. I appreciate the update and your statement. We have high confidence in finishing the work in the scheduled date. There have been rumors of possibly even finishing early and I was wondering if you could address that?

MR. COFFELT: So, I am not able to commit to finishing early.

MR. MURPHY: No pressure.

MR. COFFELT: I will say at this point in time, definitely not able to commit to finishing early at all. I think that the site -- I do think that we will get through the work at Marseilles and Brandon Road with no problem, with the current schedule. Dresden, there's a ton of work going on at that site, and so as far as saying that we will finish early, I just don't think that that's something that's currently in play there.

MR. MURPHY: Fair enough. Fair enough. And no preference, but what I would ask is whether it is, you know, a week earlier, or a week late, or right on time. Please, you cannot over communicate with the industry about what the timeline looks like because as you all know, there's a lot of pent-up traffic on both sides of the closure and trying to orchestrate an orderly safe unwinding of all that, we need as much lead time as we can get cause there will be a mass wrangle as soon as the waterway opens again. So, if we can plan that weeks in advance rather than days or hours, that'd be really helpful.

MR. COFFELT: Absolutely. Understood.

MR. HETTEL: To Chairman Spencer's comments, the vertical lift gates at Lockport, you state the installation is as soon as summer 2023, but we're in summer 2023. Are those going to be installed while the -- before this 90-to-120-day closure or during it?

MR. COFFELT: No, sir. I must have missed that update. No, the Lockport lift gates are currently being fabricated and they are currently scheduled to be delivered in late or in the winter of 2024. So, we won't even have those gates until kind of at the end of the calendar year of 2024.

MR. HETTEL: I understand, and correct me if I'm wrong, I think I heard those as a pretty minimal -- I'd say minimal, like a two-week closure to install those gates?

MR. COFFELT: Yes, sir. I don't know the exact time frame, but it would be a much lesser -- two weeks sounds about right for what it would take to install those gates. It would definitely be a lot shorter of a closure than what we're currently going through.

MR. HETTEL: Okay. Thank you.

MR. JUDD: Damon Judd. Just a quick comment, I guess. Just want to thank the Corps for the work you've done to do the work in-house to ensure that this is the last closure. Obviously, we had a lot of conversations around the funding dynamic when this project got kicked off and I just want to acknowledge the efforts to the Corps to keep this to a simple closure. It is much appreciated.

MG GRAHAM: And so, reading that back, do you expect to stay on schedule, even though you found cracks in all the three downstream miter gates and some challenges with the quoin seals, that you're going to have to work on?

MR. COFFELT: Absolutely.

MG GRAHAM: You going to need more money from Tiffany (Burroughs)?

MR. COFFELT: As of right now, no. We don't expect to need any additional funds associated with that.

MG GRAHAM: Okay. I'm going to stop asking questions now.

MR. MURPHY: Take yes for an answer. Mr. Rase?

MR. RASE: Yeah, this is Lance Rase. I'd like to pile on some of those comments, these two separate Illinois River closures and some of the industry-side is what good looks like with the lead time. Of course, we never want to close, but with the proper lead time, all of those organizations can do that. And so, we constantly talk about these.

Thank you. And then, you know, recently we had some other examples with shorter numbers, like Old River Lock and places like that. So just want to continue to strive towards the Old River closures. Thank you.

MG GRAHAM: Thanks, Lance.

MR. POINTON: All right. Thank you. We're going to move on to the NESP Project, this is the Mississippi River Lock and Dam #25. We've got Jose Lopez up here, and we've also got Andrew Goodall, who's been kind of overseeing the entire NESP and he's going to handle LaGrange. So go for it, guys.

MR. ANDREW GOODALL: Yes, sir. Thank you, General Graham, Chairman Murphy, and members of the Board. I am always happy to be here. Thank you very much for always having us on the agenda to talk NESP, our favorite topic. So Jose is here also, so we are going to keep moving around a little bit and I'm going to kick it off for Colonel Curry, who's not able to be in attendance today, so I'll kick it off for the NESP program, today we'll hit Lock #25, and then of course, go on to LaGrange. So, I'll send it over to Jose Lopez for the Lock #25 brief, and then I'll pull it back for LaGrange.

MR. MURPHY: Thanks, Andrew.

MR. JOSE LOPEZ: Yeah. Good afternoon, Major General Graham, Chairman Murphy, Vice

Chairman Judd, members of the Board, federal observers, colleagues, members of the public. I'm Jose Lopez and for the record I'm the project manager for Lock and Dam #25, so I'll be happy to give you guys an update on how we are doing on the project.

Next slide, please. So, I won't get on the first two bullets. Kind of self-explanatory on authorization. What we're doing, we're building a new 1,200-foot lock chamber at the existing facility.

Just want talk about the schedule a little bit. I briefed this slide before, so it's not a change, but I do want to continue to highlight a couple of things. So, there's a lot of engineering and construction science that goes into us kind of estimating these constructions, contracts and durations, you know, into the future. You know, one of the things that we've been doing recently, and kind of credit to the Kentucky (Lock) team because they hosted our team a few months ago, is we've been going around talking to the different projects that have seen construction, right, that are in thick of it, so that they can give us some kind of sanity checks on some of our assumptions, whether it be concrete production rates, crews, you know, challenges, or limitations. And so, that information has been helpful in us, you know, trying to stamp out optimism biases that was talked about in Pittsburgh, right?

And really get to the meat of, here's what we're talking about. Here's what we think can happen because at the end of the day when the Corps is talking about construction schedules, what we're talking about is the forecasting of forecasts, right? The Corps of Engineers are forecasting what a construction contractor thinks it is going to take to complete this project. So just kind of I wanted to highlight those things.

One more date that is not in here that we're tracking, and we have a little bit more control over is our design schedule. The Lock and Dam #25 Project is still in the design phase. The design phase is scheduled to complete some time in 2026. So, we are actually, we're starting to get into the 35 percent phase, you know, talking about design maturity and we're in the review phase of that. So, we have district quality control meetings that we're going to go through starting next week, actually. And then we have our agency technical review, or ATR, that will run through the summer and a little bit into the fall. So, once we complete all those and kind of things check out on the quality side, you know, we can call our 35 percent complete, so to speak. And that goes back to the design maturity that was talked about previously with regards to cost and things like that.

So, talking about cost, I'll just caveat as I talked about this in Pittsburgh, right? So, as you all may remember, we're doing Early Contractor Involvement, Integrated Design Construction. That's our delivery method for this project, currently. We released our solicitation for that delivery method in June. So there's currently a contract that's out on the street right now. We actually hosted our previous site visit on June 29th, had really good attendance, you know, a lot of the large infrastructure construction companies and players that a lot of us know of attended. And so, it was a positive sign in the sense that we believe that there is appetite for competition out there for this project, which is a good thing.

We've also had a period of inquiry, as we call it. So, any of the contractors that are looking at these drawings, they get a chance to ask us questions. You know, what's this about the contract? What's going on with this drawing? What do you mean by this? So, we're going through that process right now. In fact, we've already published, because are these public questions they get posted to our procurement database. We've already posted some of those responses, something about over 50

questions that we received. That question period is going to be open through the middle of August. So, you know, they get a chance to kind of really, really digest it. And the reason that's important is because we're doing Early Contractor Involvement and because we're doing Integrated Design Construction, what we've put out there is essentially a 15 percent of all the design.

So, I just kind of want talk back to some of the points that Tiffany and Mr. Smith made on design maturity. You know, when we picked up this project back in April of 2022, after we received BIL funding, one of our biggest tasks was, you know, we went through the INDC (Inland Navigation Design Center), right, was, let's determine what this level of design really is, what's our design maturity's on, what exists out there really is. And these are products that were, you know, shelved and mothballed back in 2010. So, we took off these binders in 2010 and we started to really look at what are we talking about here as far as design maturity? So, you know, the conclusion at that point in time was, this is a 15 percent level maturity. You know, we're very early to, on General Graham's point that has, intuitively carries a lot of risk with it, right? Because you haven't gone through a lot of discovery learning that eventually occurs, or you haven't gone through some of the Value Engineering that will occur. So, that's kind of what I'm going to say on that point.

I will also say that you do have a new certified project cost from June of this year, but I'm not really going to kind of delve too much into what that says right now because of the procurement. Like I said, though, that is based on 15 percent level of maturity. So, I'll pause there for any specific questions, or?

MR. MURPHY: Yes. Spencer Murphy. Just to clarify, similar to my prior comment, this project is also meant to be fully funded for construction design and construction in the infrastructure law, yes? I'll answer my own question.

MG GRAHAM: Yes.

MR. MURPHY: Yes. And again, I appreciate the comments as to 15 percent of the design and the procurement, so things were fluid. That's all understood. Again, I'm mostly asking these question so that when we speak to Congress, be clarifying – be clear that if there is any more funds, we want to clarify that this was originally supposed to be fully funded through the infrastructure law because I think that's a meaningful distinction. It goes toward a Trust Fund project, or you know, a project with a 65/35, or 85/15, or you know, there are different cost shares within our programs and our projects. And I just want to make sure we're really clear when we go to Congress. If we need more money to help you guys get this thing built, that we have the right context for how it started and what we thought we had and what we actually had. Thanks.

MR. LOPEZ: Yeah. Is there anything in fact, just – I wrote down what you said. You know, Chairman Murphy talked about the timeliness of Congress on cost, so I'm there with you. You know, one other last thing before I move on to the next slide. You know, this is just some commentary, but I find it important for this group. That memo that Mr. Perez signed in early June talking about cost is not just a nuts and bolts sort of adjustment of how we do estimate it. It really is a call to action on a little bit of culture change within the agency. So, when that memo came out, we were in the throes of finally getting a certification after working through it for a while and it hit me square in the chest, right, because I'm living that. But anyway, I digress, sorry.

The next slide is kind of unclear, but this is the scope of the project. You've seen the slide before. I do

want to allude to, you know, we are doing – starting as was kind of asked of us by Major General Graham last meeting in Pittsburgh to start looking at, you know, how would you phase this project? You know, what are the risks of carving this up? As we all know, really the most efficient way to complete a project is to get the contractor in there with all the funds, ready to go, no limitations, right? But we understand that there's got to be some scenario planning that goes on. So, we're starting to think about that. It's still a little bit in the assessment stages. You know, a lot of this has to be really kind of vetted through our cost team in the sense that you do carve projects up like that. You do run the risk of, you know, double paying for demo and inefficiencies such as that, which can affect your cost and can affect your schedule. So just throwing that out there as another caveat to, you know, when the plan or if the plan becomes phases out, right? But we are starting to look at it so we can have more information for you guys to kind of mull over and understand what happens or what it takes to do those types of things.

So next slide, please. So as far as status right now. So right now, we have Phase 1 is under construction right now, I've got some pictures in there. That contract was awarded in September of 2022, Madison Construction out of Kansas City is out there right now. They're doing some concrete demolition to install some new floating mooring bits and kevels that are going to essentially be a part of the new wall, the new lockwall. So that work is ongoing.

Thus far it is on schedule, no issues to be identified at this point. So that's, you know, that's scheduled on the construction site. So, what we're calling Phase 2 is our design schedule, right? Like I said, we're starting our 35 percent review phase right now. It is a little bit ahead of schedule on the design front. Not by much. I suspect that we will be back on schedule once we're done with reviews. Our reviews are pretty rigorous. They do sometimes tend to, you know, tax a team and make sure that we did our homework right?

On the quality front, we do, obviously, want to put out a quality product, so that's going well. Two other things to note. Well, I already talked about the ECI solicitation – that's out there. We do have a design for some long lead times items, primarily bulkheads that are going to be utilized in the future to unwater a lock and construct a lock floor. Those designs are at 95 percent right now. So those will be solicited early in 2024, you know, with the intent of receiving those and at least having them in hand. So, when the contractor eventually comes in to construct a lock, they can use those bulkheads. You know, we can have them handy.

And then as far as financial status, again, this is just for the design and it's through May. You know, I've got the June date, I didn't have time to swap that in and add an extra slide, but as far as how we're doing with our budget on design, we're running a little bit under budget, which is a good news story right now, but it can change. So, we're working through the design of it moving along.

I already hit on our acquisition, the delivery method. One correction here. So, it says it's due 9 August. It's actually 8 September. We had a solicitation out there for 60 days. As you can imagine with this size of the procurement and the complexity of it, just based on the fact that it is Early Contractor Involvement, we received a lot of requests to extend that bid due date, meaning, you know, the contractors are saying, hey, we're going to need more time to put together the bids. So, we kind of have to listen to them a little bit. You know, we don't want to scare anybody away from bids. We want that competition, right? But we took some sort of a view, we looked through what the request was. We looked at what we had done before, whatever the drawings were, what information was provided. And

so, we decided to extend that about 30 days to the 8th of September. So, on 8th September is what we're going to bids for that contract. And so, kind of talking back to the cost piece, it is a little bit unprecedented in the sense that at that point in time, at a 15 percent level design, we're going to get some sort of ground truth thing, right, of what our costs, certified costs is, at least on the construction piece, right? The total project costs as I mentioned before, it's not just construction. So, it'll be interesting when that happens and we get a read on, here's what the market really thinks, right? We've got our interpretation of the external risk factors out there that's in there. And it's, you know, we use it to determine contingency, but the market's going to give us what they think. So, Marty, sir?

MR. HETTEL: Jose, Marty Hettel here. Let me make sure I understand this Integrated Design and Construction. That's your contractor that's going to design how to build it and build the facility, correct?

MR. LOPEZ: Yeah. The first part of that is this is the contractor that will work with us in the design phase, right? To provide us constructability advice, Value Engineering support, and those kind of integration and collaboration with industry for traffic management during construction, all those things that, you know, actually, we talked about. We heard, when we were in Kentucky Lock about we need to make – keep this open as best we can. The coordination and collaboration that had to occur between the Corps and industry is a key piece. And we believe that having the construction contract on the table is also key, so.

MR. HETTEL: Well, the reason why I ask that, in your previous slide, you've got five different aspects of this lock and they're all saying award scheduled TBD, to be determined. Will that Integrated Design Construction consider the whole project?

MR. LOPEZ: It'll consider the whole project, yeah.

MR. HETTEL: Okay.

MR. LOPEZ: It is just to reinforce what Elizabeth tried to say earlier, that those phasing approaches are still being sort of considered in development. So, they're kind of placeholders, right?

MR. HETTEL: I understand. I just needed to clarify it in my mind.

MR. LOPEZ: Okay.

MR. HETTEL: So you stated the bids are extended to September 9th to give the contractor more time?

MR. LOPEZ: September 8th, yes.

MR. HETTEL: September 8th. Okay, so you've already got the bid package out?

MR. LOPEZ: That's correct. It came out June 9th, I believe.

MR. HETTEL: And how long do you think it'll take for you to execute one of those contracts once you get the bids back?

MR. LOPEZ: That is a great question. So right now, from this June, we have it scheduled through March 20th. 21st, something like that, of 2024. So, let me just explain, right? We receive those bids. This is the best value trade off contract, meaning that we really, really want a good contractor. We're not just looking at a low price. Yes, price matters, but we really want to get somebody that knows what they're doing, especially when we're going to be doing Early Contractor Involvement.

MR. HETTEL: Sure.

MR. LOPEZ: Right? So, there's a process of us looking through all the documentation. We've asked for them to say, yeah, this is a good value to the government. Because of the dollar thresholds and things like that, there's also certain levels of review within our contracting chain that have to occur. So those are baked in there. We have scrubbed that schedule, you know, from 8 September to March of 2024. We have scrubbed that with our contracting folks, very, very well and it is aggressive. It is attainable, though, but it is very aggressive. And there's almost no float in it, we're talking about, boom, boom, boom, you know, valuations, negotiations, and all the documentation that has to go through itself. Sorry, go ahead.

MR. HETTEL: well, it would be an interesting comparison on when you execute a contract and compare it to what your certified cost estimate is versus what the contractor says they can build it for, which is kind of a flip-flop of what Montgomery, where the Corps putting out what they think it's going to cost before they even go to a contractual bid. So, that's going to be a very, I think, a telling tale if this is the best way to move forward on future projects.

MR. LOPEZ: I think it's going to be different, yes.

MR. HETTEL: That's all I got. Thank you.

MR. LOPEZ: Thank you.

MR. WEBB: Jose, General Graham's mentioned a couple of times here just how complicated and challenging this project is probably going to be. Can you just walk us through kind of where you – I mean, after we had seen Kentucky yesterday, where do you see the challenges?

MG GRAHAM: Can you back up the picture? It's going to help you.

MR. LOPEZ: Sure. Yeah. Please back up one slide there. There we go. Yeah, so I paid attention yesterday. You know, since I've been on this project, I'm kind of geeking out on all the other projects. They're all – they're like our own children, right? We all love them, but they're all different and unique. And so, one of the things that strikes me about Kentucky that is, you know, a challenge nonetheless is that there's about 100 feet between the inside wall of the existing chamber and the inside wall of the new chamber. We don't have that. We basically have, like, 30 feet, which is just the width of the bottom of it. And so, we have it right smack down the middle of you guys driving that week and our contractor is trying to construct. So that is a huge, huge risk from a just schedule standpoint, construction schedule. You know, I think it can't be overstated, the construction schedule is money, that's where the money is. And so those are some of the challenges.

You know, if you all recall, in December at Galveston, I talked about site access. And back then I talked

about how we were looking at some ways to be a little bit innovative with site access. General Graham yesterday talked about how innovation tends to happen at the ground level, right? So, we've identified a way to accelerate some aspects of the site access that, you know, and it is kind of a new way and different authority that we've found that exists out there that requires actually Lieutenant General Spellmon to give us the okay review. So, we're working through that through our division office right now to get this permission to allow us to partner with the DOTs so we can accelerate, you know, site access and sort of mitigate some of that risk.

So those are some of the challenges. I don't want to overstate this one because it gets a lot of play, but it is true. You know, obviously market conditions. One of the things that we looked at closely during cost update is labor retention and attraction. You know, with the St. Louis District, you think that we're good as far as labor. This is about an hour north of St. Louis. It is not a very populated area. So, it is sort of remote, so that attraction, that ability to maintain crews. Back to that previous comment, can stay there for the long while, right? And get some of those experts at placing concrete, at forming rebar and, you know, not reduce that production level. So those are some of the risks, amongst many, right? We've got a risk register that is, you know, dozens of pages long, so...

MG GRAHAM: Hey, so if you look at Montgomery – like Montgomery's doing, there's a 600-foot chamber there right now and they're building a 600-foot chamber toward – in the river side, right? But when you look here, taking the 600-foot middle wall and they're extending it and they're going to reuse it as part of the new lock chamber, right? So that's the piece that I think concerns me and probably all of your mariners as you said, we're using the middle wall, we're going to double its length, and we're going to do that while you still get boats squeaking past?

MR. LOPEZ: Yep.

MG GRAHAM: Okay. So, that's kind of sporty and you can't build this thing with cofferdams. So, you're going to use coffer boxes, I'm going to guess?

MR. LOPEZ: Yeah. So, that's a good question, sir. We are going to be modifying and kind of adapting the methodology that was used in Charleroi, the box form method. It proved to be successful there. There are a lot of us to learn from that execution. We have actually talked to, you know, folks from Pittsburgh District on it, and we've actually retained on the task order of them, any task order retained the contractor, sorry, the AE that worked on some of those designs, right, to kind of help us along the way there. So yeah, it's definitely a challenge.

One more thing to mention is, I don't want to minimize the engineering. There used to be an engineer. You know, the reusing of the wall, so the INDC is really engaging in this piece, right? You know, we're talking about – and this is not necessarily unheard of in the Corps, we recapitalize and reuse old structures all the time. If you look in the dam safety world, we do that all the time, right? We talk about flood control or flood control management there. So, you know, we're honed in on that, right, because Mr. Perez says, get the engineering right. We're doing that. But there are some challenges with recapitalizing that structure that was designed in the 1920s, or something like that, and was built in the mid to late 1930s, right? So back to some of the comments that were made in Kentucky. You know, design standards change, but sometimes they change year to year. We're talking about, you know, 85 years of changes, on design changes, so yes.

MR. SMITH: One second. Just might we get a comment that would clarify, based on what is the question about so that when the bid comes in, it would include how a contractor would design it and construct it?

MG GRAHAM: It's mainly built –

MR. SMITH: But it doesn't –

MG GRAHAM: It's mainly built at – right.

So, he's got the most of the design via INDC, but it is, how would you build this and then modify the design accordingly?

MR. LOPEZ: If I could, sorry, really quick. This is how I would determine it. It's for them to consult on those directives and then design and build them. That's what they're going to do.

MR. SMITH: So, they can design it and build it, but the part I want you to draw a distinction on, if I'm correct, but really, you'll need to clarify this. They may not do the construction?

MG GRAHAM: That's right.

MR. LOPEZ: It's possible because there is a mechanism right now.

MR. SMITH: Right, right. So, there's that risk that happens. But I just wanted to clarify. Yeah, this firm that wins this, we envision them to consult, design, and then construct, but there is a point in time where will all bid on work, or will you – is it a decision for us to make later?

MR. LOPEZ: Yeah. So that's a great question and a good point to clarify. The way the contract is structured is a base and an option. So, you know, in the way it's been described to you by certain contracting is, the base is what you get engaged, right? And the option is when you get the base awarded. So it is with the same person, same contract here. Obviously, because it's an optional item and because you have to negotiate it, it has to be for a fixed price. There is an opportunity and a risk that you offer it. Now, we've done some of that calculus and we believe it is a low risk, you know, that there is going to be a lot of incentive to make the marriage work, just based on the time period that've spent with it.

MR. WEBB: So, through that period, there could be a cost change over a three-year period?

MR. LOPEZ: There very well is, yeah. And one thing to kind of highlight, mechanically, and this is, I think going – so the senior contracting officer is almost there – actively there, that's overseeing the procurement fees, you know, said this is innovation upon innovation. I kind of like that she said that, but the fact of the matter is, we are trying to include the economic price adjustment clauses in this contract because – well, so two reasons. The pre-construction service period is a period where they're consulting with us, so they're getting paid to give us advice. But construction contractors don't want to get paid to give advice. They want to get paid in place time, right? So, there's a period there where they're just, you know, sitting around giving us advice and the market is moving along, right? We're getting whatever placement we're in. Even if it's 2 percent, 3 percent, we're going to get it. So, we had

to have that economic price adjustment clause in there, so at the time that we negotiate the construction option, we can share that risk because otherwise what would happen is, we would get bids in on September 8th and there would be huge risks baked in because they would say, well, I don't know what's going to happen, from now until 2026, right? So that's the mechanisms in there to kind of keep the lid on some of those inflationary pressures. And then the next economic price adjustment is tied to the actual construction period, right? So, you're talking roughly eight years of construction and there's going to be volatility and changes in the market then. So, we're going to, you know, we've got it structured so every year we adjust up or down, because it goes both ways, yeah, on what index is governing, you know, steel, aggregate for concrete, cement, things like that. So that was long-winded, but yes, costs have changed.

All right. If there are not any other questions, we can just roll through. So, this is our schedule – this is not a schedule. This is a conceptual schematic schedule. We have a pretty good schedule too, but this is roughly where we're at right now, like I said, rolling through our 35 percent design right now. I do want to add, and I should have added this before, but we have worked collaboratively within this industry since, you know, early on in this project. One of the things that we did was we went down to Vicksburg (ERDC). We did the ship simulator, and from that, we got some information to kind of help us tweak some of the navigation approaches and some of the issues that could occur as, you know, the pilots are manually trying to traverse this. One of the things that we're looking at is possibly adding a downstream barge cell to help protect the new I-wall that's getting constructed. And also, when the 600-foot is the auxiliary chamber. So that's a package that's likely to get pulled out and done separately. So just like the bulkhead, or the lockwall modification, the bulkhead, that's likely a smaller item that's going to be done, you know, a little bit sooner. So, it's a pretty easy thing to sever from the rest of the project.

Next slide. So, we've received \$732 million from the BIL. That's what I know as far as point 5. Andrew, did you want to add something onto that?

MR. GOODALL: Go ahead.

MR. LOPEZ: Next slide.

MG GRAHAM: So Spencer, to your point, \$732 million for a 1,200-foot chamber, probably not?

MR. MURPHY: Correct. And I want to make sure you understand why I'm asking that question or answering my own question, which is, it's not to contest that figure or say that, you know, there's a reason that is should different number or – than what's in the hopper. It's simply that the best thinking at the time was \$732 million, and that was meant to be full funding for design and construction engagement. So, we just want to make sure that's clear, so when we do talk to Congress, in the event we do need more than \$732 million, which let's assume we will --

MG GRAHAM: It's probably a good assumption.

MR. MURPHY: -- that we have the right context around that request.

MG GRAHAM: Absolutely.

MR. MURPHY: Thank you.

MG GRAHAM: One thing some of the Board members were talking about is the seasonality of traffic on the river and can you maximize construction that might be in their way during when there's low or no traffic. Which makes the people building this thing's job a lot harder, right? Because it's 10 degrees outside, and it's snow and ice, but that's when they're doing kind of the hard, critical, challenging pieces. Can you speak to what you're thinking about to integrate that and then, hopefully for the Board members, that helps you get some idea of what he's doing with IDaC, which is we're bringing in the people that potentially are going to build this in the snow and the ice to help take a look at it, okay, if I'm going to build in the snow and the ice like this, maybe we tweak the design before the design gets fully baked to accommodate how we go about doing that, well, safe. Can you speak to the seasonality?

MR. LOPEZ: Yes. Spot on, sir. So, you know, especially when it comes to the construction of the I-wall or the extension of the I-wall, which is the 600-foot section, that is most in your guys' way. You know, the bulk of that work, we understand that right now, that it has to occur in those times when, we're an hour north of St. Louis, December through March, you know, and so we're talking about can I assume the same production rates for these guys that are out there on the platform in the middle of the river placing concrete, then if they were placing it, you know, in the fall, just constructing a building downtown in St. Louis, I can't assume those same production rates. So that plays into cost, that plays into the schedule, but more to the point that General Graham is making, again, the beauty of this methodology is that we can design a monolith that withstands all of the flow cases, large impacts, et cetera, et cetera, and the rebar, the concrete, and all that. But how that gets produced out in the field is something that contractors have expertise for that, right? And so, the way I envision to this occurring is when we're successful in awarding for pre-construction services, we're going to have to establish a working group with the contractor that's specific to traffic management, and have them digest, you know, here's what we think you guys can do, but have them tell us, that's not right, or this is a better way. And when we get there, then have those discussions at the table with stakeholders and the contractor. So, we can really game plan, you know, I mean scope out what we think will happen for the construction, because if we do that as the Corps and you guys, there's a pretty large individual person, entity, that's missing in that equation, as far as coordination, right? And that's the contractor who is actually going to be do the work. Otherwise, you'd be boxing people in, right? Hey, we think you should do this and then they say, I think this is the risk that you're baking into my bottom line. So, I'm not sure if I addressed your points, General.

MG GRAHAM: You did. And what we also saw from the Nashville team at Kentucky was they brought in their Ops folks. They put a full-time member of the PDT (Project Delivery Team) on there and I thought that was really well stated. In addition to your folks, the people that are going to build it, you also get some of the Ops folks who really understand your industry and can coordinate with you all on making sure that this is well thought out in the beginning and then well thought out through construction.

MR. LOPEZ: Yeah, and sir, I'll just be remiss if I don't say, you know, we have our Ops team members integrated even now on this. That's how I was here, from our Ops office. It's kind of our day to day, you know, shepherd, if you will, on how we're moving about when we're coordinating with you guys, if we're coordinating with you guys the right way and that kind of thing. So that'll continue and it'll ramp up, because it won't happen without that. One of the stations yesterday was about all the coordination that had been occurring, right? To keep things moving, so it's important.

All right. Next slide. I've already hit on this, but we've got our contract, you know, we've talked about challenges, about the impacts to industry that we construct, talked about market inflation.

Next slide. I apologize again for the quality because I tried to get them to not be grainy, but in my computer, they looked really good. Anyway, so this is just pictures of us installing the coffer box and then rewatering it. This is on the riverside or the riverward side of the existing middle wall, or I-wall. So, this is about a month or so ago. You know, they've been demolishing concrete and installed where it – or to create a space where the floating mooring bits and kevels are going to be. So, we're continuing on that as I mentioned earlier.

Okay, well, that wraps it up for Lock #25, unless there's any other questions from a member of the Users Board.

MG GRAHAM: Any questions from the Board members? This is where we can impact this. Jose did a great job laying out there are a lot of risks that he's working hard to manage. Those will be manifest – they will manifest themselves in cost. This is hard. This one with the extension of that middle wall without getting in your way, this is hard, right? So, there's a lot of risks in here, and I think the team has a great job by saying we're going to bring in the construction contractor at this stage using the IDaC process to mitigate a lot of those risks, but he's not going to be able to bring them all down here. There are going to be some unknowns that we're going to trip into as we get on through this. Okay, just want to be eyes wide open as we walk into this.

MR. LOPEZ: All right. Thank you, sir.

MR. GOODALL: Great job, Jose. Laying down the details from Lock #25. So, I'm going to switch over to LaGrange now and getting back to what Jose mentioned because the NESP Program was anticipated from the very beginning to learn from the projects in the program as we go to implement individual projects. So, we're already in a real-time way integrating those lessons learned to LaGrange that we're learning on (Mississippi River Lock) #25 every day.

So, to start off, same authorization, no difference there, was within NESP for LaGrange. The last two fiscal years, we've received a total of just shy of \$70 million for LaGrange to complete the design of the new 1,200-foot chamber. And I'll go into some details on the future slides here with those current task orders and current design activities with our architect, engineer friends to advance the project and design. So, for this description again, I shared this the last few times, I won't go into details there, the 1,200-foot lock and then the associated approach channels and guidewalls, of course, for that new facility schedule.

So, we are on schedule to award, pending funding availability, an initial construction contract at LaGrange that I have both of them listed here, either a site development contract, or a machinery fabrication contract that is on track for design as it stands today and we anticipate it'll continue to stay on track for a potential construction contract award in September of 2024, so next September.

And then the cost piece is the question we get a lot. We've gotten a lot on Lock #25, of course as well. With the design for LaGrange right now, we are at about a five percent design. So, we're a little bit behind Lock #25. So that cost estimate is going to be developed with building blocks as the design

features come online, as we go from the five percent design to the 35 percent design for the project. So, when I say the comprehensive cost estimate is scheduled to begin in March of 2024, that is us having all the pieces together to be able to coherently start a review of that cost, work of course with our mandatory Cost Center of Expertise to obtain the cost certification. And from there, we'll have more details to share once we've got some of the design elements figured out.

Next slide, please.

MR. WEBB: Hey Andrew?

MR. GOODALL: Yes?

MR. WEBB: Do you need more? How much more should we be – just from the Board's perspective.

MR. GOODALL: Sure.

MR. WEBB: How much more money do we need to the design work?

MR. GOODALL: Good point, Jeff, I should have mentioned it, but I didn't include it on the slides, so we anticipate that \$70 million, that is completely funded design activities for the projects.

MR. WEBB: Okay. Thank you.

MR. GOODALL: Yeah. And to that point, I'm jumping ahead in my slides, but last fiscal year, we awarded just over a \$20 million contract to go from that five percent design to 35 percent. In this fiscal year, by the end of September, we will award the 35 percent to 100 percent design with that money we have on here.

Okay, so just a general overview of the scope. A new 1,200-foot lock is different than Lock #25 that Jose just briefed. Landward and -- how I liken it is landward the existing lot by about a lock chamber width. It's a little bit more than that from our perspective or the 1,200-foot lock as cited. There are upstream and downstream approach walls, and then a pretty significant amount of channel excavation that is not even all shown in the map here because it zooms out a little too far to get that perspective. So that's the layout of the lock. There's of course utility locations and quite a few details to go along with this. But just a general scope of the different features of the lock itself. Yes.

MR. HETTEL: Andrew, Marty Hettel here. As you're well aware of, with the current 600-foot chamber of LaGrange, when you have a tainter gate up and you're running water, we need a system to get into the lock. Have you looked at all about putting this model on the new 1,200-foot chamber on the riverward side? Because the way it's laid out right here, we'll probably be into the same scenario and need a new system to get into the lock.

MR. GOODALL: Yeah. No, good question, Marty. So, we're working through those details still and I work very closely with port captains as well in the area to make sure that we understand that we don't do something long term that's going to create a situation where assist boats are still necessary once that 1,200-foot lock is in place.

So, a couple things that we're doing, the first thing is very advanced hydraulic modeling to get the existing chamber modeled with a new chamber. That is being done in our Engineer Research and Development Center or ERDC. We've invited some industry folks down here with us and we will do so continuously until we get the correct answer, and we need a ship simulator to help us get that answer. And if there is a challenge, if we do see issues long term, we'll absolutely address those in design. We're very, very early on in design right now. So, I would say that is not off the table, if that needed to be done to make it most efficient long term.

MR. HETTEL: Okay. When you do this study on the simulators, can you adjust the flows as your tainter gates goes up and down without dropping water level-type scenario?

MR. GOODALL: I'd have to check on that. I believe it's that we can get to that level of fidelity but that's not something I can answer for you. Marty. I'm not sure, standing here today. I'm not as in the weeds as much on that as I'd like to be, so I can get the answer for you though, if it's that level of finite detail.

MR. HETTEL: Okay. So, the option isn't off the table to put them along on the riverward side?

MR. GOODALL: No. In fact, just to give an idea of what that five percent design really means is we're trying to figure out, like, what type of wall we're going to construct. What type of -- where the features are going to go, probably outside of the new lock. That's pretty set at this point, but a lot of the design details, how we're going to do it, what it's going to be, some of the locations, some of the features, yeah, it's still very, very much in development.

MR. HETTEL: Good deal. Thank you.

MR. GOODALL: Sure. Okay. Next slide, please.

All right. So that work for LaGrange, as I mentioned, just up at the top, the only status update we have for today is that we are scheduled to award that 35 percent to 100 percent design. That would, again, get a designer on board to work through all those details with an anticipation that we would have that design completed in approximately 2026. I say approximately because the awarded contractor will tell us some of those details on what the contractor feels it is going to take. As I mentioned that physical modeling, so there's a couple different dynamics with the project. It's not only the modeling, the computerized model, if you will, the ship simulator modeling, it is also the physical model. That's one of the requirements we have to have for these projects by 2025. From some years ago, LaGrange has that configuration you saw in that physical model. We posted some of you down there. I know and we will continue to do so. In fact, I don't have a video to share today, but last week, and I'll go to this here in a minute. We had an industry date of the project. And we shared how, yes, it's a physical model. It takes some time to adjust based on approach configurations and details, the approach channel. But if they have enough lead time, they can make those adjustments. And I saw in real time there were some issues as the remote went upstream out of the lock, had a hard time making the turn to get out of the chamber, and made an adjustment to the design, in this case, exiting the chamber upstream and adjusted accordingly and made it work correctly. So very, very attuned to that. We really want to make sure industry is there with us at the table, just like Lock #25, to make those decisions very, very early on.

So, an ongoing task, just quickly on the task order we awarded last fiscal year. It's geotech exploration

on site. There's some cultural work we have to do onsite to make sure we're not disturbing any cultural sites. There's a hydraulic modeling, all this modeling I'm talking about when it comes to how the river conditions are going to be when the lock is complete, all those details are ongoing. And then we also have construction contract documents that are being developed for, at this point, we believe the project will be constructed most efficiently in approximately six packages. That includes the site development, includes lockwall construction, cofferdam development. Those things are still being developed as the designer is working through them. But I'll say, and as listed on here, the last bullet, learning from Lock #25, and kudos to many of Jose's team helped us develop the agenda for our very first industry day for LaGrange. We hosted construction contractors and industry folks down there in Meredosia, Illinois, last Wednesday, or last Thursday and got a lot of really good feedback. And we asked the right questions. That's a lot of the time, what piece that can be missing. If you don't ask the right questions, sometimes you don't get the answers you're looking for. Really, really critical decisions.

Some of those questions were, do you think LaGrange should follow the same track as Lock #25 when it comes to ECI, IDEC? The question or the response, just for example, we got back there was they are different projects, there's different constraints.

So, we feel that LaGrange will be best suited for design bid build, for example, a more traditional contracting method. But then again, they doubled down and said, but Lock #25 absolutely should go the way it's going. Of course, we've moved out accordingly and adjusted, so really listening, and not listening in a way that we're going to listen and going to go different direction, but really taking it in and adjusting accordingly. So, asking the right questions, really, really great feedback, very glad we did that. We'll continue to do those industry days approximately quarterly as the design continues to get that continuous feedback loop developed with the construction contractor community as well.

Next slide, please. Okay. That's all I had for LaGrange today, of course, for Lock #25 as well. Pending any questions? Pardon.

MR. HETTEL: Andrew, one more question. Is there any issues with land acquisitions to start this project?

MR. GOODALL: Good point, Marty. I should have mentioned this, too. So, Industry Day was 12 July. Public meeting on the real estate side of things was 11 July, the night before. So, we had the affected landowners there -- we met with them down there in Meredosia, Illinois to talk through that. I will say at this point in time, we don't anticipate real estate acquisition issues. And as part of that funding we received from Fiscal Year 2023, we anticipate that will also allow us to acquire real estate necessary for the project.

MR. HETTEL: And when do you think that time frame is? Acquiring the real estate?

MR. GOODALL: Yes. Our schedule right now has all the real estate acquired by the end of next fiscal year, so September of 2024.

MR. HETTEL: Okay. Thank you.

MR. GOODALL: Sure.

MR. RASE: Andrew, Lance Rase. On your Industry Day with contractors, just to gauge appetite, competitiveness, how many contractors showed up?

MR. GOODALL: Yeah, that's a good question. We had a total of between 12 and 15 different contractors there. Some were small business, some were large business. There's more people there than that, but the contractors represented were between 12 and 15 different companies. Yeah, that's a good point. Because we're going through the LaGrange major -- we have, of course, at the same site, a very remote location. Jose mentioned Lock #25 is an hour north of St. Louis. We're more remote than that at LaGrange, of course. And it didn't appear to be a major concern, although the APR there are concerned because it is remote, from a labor standpoint, but until they understand more details and how the construction contracts are packaged, that would really help them determine how much staff they need here, how much labor they need at certain times of the project as well.

MR. MURPHY: I just have a comment more than a question. Just listening to what Mr. Pinkham said earlier, about attending the recent groundbreaking for NESP projects, and the fact that NESP was the most requested program in the recent House Energy and Water bill. You know, the good news there is that a lot of members of Congress have an interest in this program. That is, there's a lot of members of Congress that have interest in this program, but I think it's undeniable that we are at a position -- an enviable position in this program where you have the Administration and Congress and the industry all aligned around moving out on these projects as quickly as we can. So, I think -- I just encourage you all to take advantage of that window, however long it's open for.

MG GRAHAM: Absolutely.

MR. MURPHY: And so, some of our earlier conversations about getting in front of Congress with, you know, if there's a reason to go to them for money or something else, you know, now is the time. And we're there to help.

MR. GOODALL: Yes, sir. Chairman Murphy, absolutely. I mean, we are pedal to the metal every day, I promise you, on the program, understanding that window is there right now and doing all the right things to compete appropriately to also be very transparent in communication other than need as well understanding those details. So yeah, to your point. Absolutely. Thank you.

MR. POINTON: Any questions?

MR. MURPHY: Hopefully never.

MG GRAHAM: Yeah, how do they get a project.

MR. GOODALL: Okay. Thank you all.

MR. POINTON: Thanks, Andrew. Appreciate it.

Moving on in the program. We're heading down to the Southwestern Division area of responsibility. We've got the Gulf Intracoastal Waterway, the Brazos River Floodgates, and the Colorado River Locks project. We've got Andrew Weber here. Go for it.

MR. ANDREW WEBER: Good afternoon. My name's Andrew Weber. I'm the Deputy Branch Chief of Project Management at Galveston District. Today I'll be briefing on the Brazos River Floodgates.

Next slide, please. So just a quick project overview of the Brazos River Floodgates and the Colorado River Locks. That's one project, two separate sites. It's on the GIWW, which is -- and the purpose of this project is to upgrade the existing 1940s infrastructure. Currently, the channel width at both of these facilities is 75 feet. This project would take the channel width from that 75 feet to 125. That serves two purposes. It increases navigational efficiency, and we won't have to break down to go through these structures. And it'll also increase safety. These two structures suffer many collisions every year.

I do want to direct your attention to the benefit-to-cost ratio. There's a two-fold update to these numbers since the last time this was presented. We've incorporated the FY22 economic update into these numbers. And today we're also presenting at 70 percent here.

The remainder of this presentation will focus on alternative ways to deliver this project outside of a single fully funded contract. When the team was asked how they would approach this and they had three main considerations. What can they do that's technically sound, that contractually makes sense, and what benefits can it provide to the users? And the answer they came up with is dividing it into a West Gate contract and an East Gate contract. So, in this paradigm, the first contract would focus on the west side. We would need to improve the adjacent placement area and dredge the newly aligned channel, and then take out the existing structure.

That would lead the infrastructure work on the east side for the next contract, which is a new gate structure on the west side is being removed completely, as well as new structures and mitigation.

On the next slide, if we were to go down this right -- this path, there's a couple of items that we have to add to our process. Currently, the design package is 95 percent complete or will be soon. If we decided to break it up, we would have to repackage the design set for this. We'd have to go back to our design of record, make sure we have the correct AE contract in place, repackage it, and then begin a review process to get ready it to advertise. I think that would take about eight to 11 months, then three to five months to go through the solicitation process, and then move on to construction.

So, there is a cost to doing this. The benefit is we potentially bring benefits online to the users early. We have received feedback from industry that by taking out that west structure, westbound traffic would have a little bit more flexibility in what they're sending through there, increasing transit times.

At the bottom of the slide, you'll see just a mockup, I think there's been a lot of discussion today about how breaking this apart takes away some efficiency, but the longer that -- if we broke it apart, the longer in between funding allocations, that's cost of materials goes up, familiarity with the design package goes down. We just kind of extend the process to get to a fully in-place project.

Next slide, please. So, the alternatives are to continue with seeking full funding for a single contract. We could potentially seek permission to the continuing contract clause with a focus on placing those funds and prioritizing the west side, or we would love to break it into separate contracts.

And just as a closing note, the Galveston District will be updating our budget packages to provide flexibility to pursue this and improve the contracts. Subject to any questions.

MG GRAHAM: I'm sure we're going to have lots of questions on this one. Can you go back to the bar chart slide with the timing on the two options at the bottom? There you go. So, Andrew, if I'm reading this right, your 95 percent design, the whole thing together, and what you would need, currently, it's \$260 million is what you believe this would cost; is that right?

MR. WEBER: Yes.

MG GRAHAM: Okay. And do you have any of that money?

MR. WEBER: No, sir.

MG GRAHAM: Okay. So not in 2024?

MR. WEBER: No, sir.

MG GRAHAM: Okay. Just want to make sure we're tracking with what the timeline on this is. Can't really speak to 2025 right now yet, so the cost would be – if you look there from the difference between green bar and blue bar, two-and-a-half years-ish, is that about right?

MR. WEBER: That's also objectifying it.

MG GRAHAM: You bet, you bet. If you split it up from what – very good analysis you've done, maybe two-and-a-half years difference?

MR. WEBER: Yes.

MG GRAHAM: Right, but you'd get some benefits in the bumper cars on the west side cleaned up faster. So just be interested from your users and certainly, I think I know Matt's position on this. Is this worth it?

MR. WOODRUFF: I'd love to comment on that. I got a question first. Right now, is west gate functional, or is it damaged beyond use?

MR. WEBER: It's functional.

MR. WOODRUFF: So, they've repaired the damage that was done?

MR. WEBER: It is functional in that, you know, traffic can traverse it. There are places where collisions have led to blowouts, and there's damage to the walls there.

MR. WOODRUFF: When I was last there, it was open, so you could get through it, but it couldn't be closed. Do you know where that's been –

MAJOR EUGENE ROBERTS: That's correct, Matt. It's operational to go through, but it's not operational when it's closing those gates, correct.

MR. WOODRUFF: So, since the Users Board was there, somebody whacked it pretty good, hit the gates, and you can't close them now if you wanted to. So, I think we all agree that the right answer is to come up with the money and fully fund this project and get it done so we can provide the maximum benefit to the nation as soon as possible.

But we've been hearing throughout the day today that there's a lot of projects running a lot over-budget. And so, then the question becomes, if you can't get all the money, can you get part of the money? Is \$70 to \$80 million that would get the west side done and give us benefit, let us start realizing benefits? If that were doable in the next year or so, and full funding would be a decade away, then the extension of the timeline becomes irrelevant. You get the benefits you can get today. You get as much as you can get done today. And then as soon as you can finish the rest of it, you finish the rest of it.

So, I think if we were looking at a situation where is it a choice between funding it all at once and getting it done two-and-a-half years quicker, or not doing it at all, I think we get the longer project and get at least some of it done, get some of the benefits. And so really, that's what it boils down to from my perspective is if we can get all the money in 2025, and I think there's a way perhaps that can be done, then let's do it. If we can get money in 2025 and some of that infrastructure money, the \$113 million that's not allocated, you know, that's great. Or if we could just get some of that \$113 million and fund this project and give them a project that they can, within a relatively short period of time start and finish and produce results for the nation, I think that would be a good way to spend some of that money. But again, the perfect I think is the enemy of the good, and what we need to do is take the route that gives us the quickest return on our investment.

MR. POINTON: Other comments?

MR. MURPHY: What he said.

MG GRAHAM: Okay. What he said. Okay. Other comments from SWD (Southwestern Division)? Andrew, anything? Good? Okay.

Somebody whacked into that gate, huh?

MR. WOODRUFF: It's been suggested to me that maybe the Users Board would consider a motion to recommend that some of that \$113 million that's being held in reserve be used to do the west side and the price is \$70 to \$80 million necessary to do that. I recognize that there's cost overruns in other places. This would be a place where we could get some results. So, did you want to make that motion, or do you want me?

MR. HETTEL: I think you.

MR. WOODRUFF: I'm happy to do it.

MR. HETTEL: I will be making it right there, Matt.

MR. WOODRUFF: Well, there it is.

MR. HETTEL: I second the motion.

MR. POINTON: Between the two of you, we got a motion and the second.

MR. WOODRUFF: There you have it.

MR. POINTON: So, there's a motion of the Board? I'll assign it to Matt Woodruff. He's offered a motion, Marty Hettel has seconded it, to take some of the remaining IIJA funds, the BIL funds, of the approximately \$113 million that is remaining and dedicated to addressing the west side of the Brazos River Floodgates portion of the GIWW Project. So that's the motion that stands. Do we have a vote? All in favor?

MR. JUDD: I have a question.

MR. POINTON: We have a question here, some discussions.

Yeah, Damon?

MR. JUDD: I guess earlier, General, when these funds came up, Mr. Pinkham kind of alluded to some other stuff going on, I guess. Are we creating risk here that we create divergence? And I'm all in, and I'm relying to you on we should be doing at this project, and we should be doing the west side first, knock it out. I got no debate around that, but I'm just wondering, as we are getting into funding mechanics and whatnot, if there's more behind the scenes that we don't understand, and are we going to create a mess for you?

MG GRAHAM: I think there is. It's tough for me, where this is at in the process, for me to lay out all of those potential draws. You heard some of them already today in the presentation. We can certainly understand, you know, a motion would get us to understand the intent of the Board, but there's a lot of draws on those.

MR. WOODRUFF: No, I fully recognize that. I think it would just be kind of giving the sense of the Board. And one of the things that I worry about is if that money doesn't get spent. I think there is a deadline to allocate that money perhaps. And so –

MG GRAHAM: I don't think we're going to miss that deadline.

MR. WOODRUFF: Okay.

MR. MURPHY: Yeah, this is Spencer. I mean, to me, I'm just certain there are multiple draws on that money, but most of them are not currently visible to the Board.

MG GRAHAM: I know.

MR. MURPHY: Which is fine, but of the uses that are visible to us, I think Matt laid out a pretty compelling case for why. If you have money that hasn't been allocated and you have a project we can do that is actually within the limit – lower than the amount of money we're potentially talking about. It makes sense.

MR. WOODRUFF: I don't see another opportunity to move anything to the left and bring benefits to the nation quicker with that money. And I think that's what I would think would be the rationale towards doing it this way.

MR. POINTON: Any further discussion?

MG GRAHAM: Before you vote, let me just – I can certainly ensure that the decision makers in my shop and primarily, well – it'll – this is ultimately – will be Mr. Connor's decision, I understand the sense of the Board. If that's sufficient for you, then I certainly will take that back to Mr. Connor, Monday.

MR. WOODRUFF: I do, that's certainly satisfactory to me.

MG GRAHAM: Okay.

MR. MURPHY: You mean our motions are binding on Mr. Connor?

MG GRAHAM: Well, if they were, then I would –

MR. WOODRUFF: You know, I think that's really what we're trying to do, is we're trying to communicate what I feel is a consensus of the Board, that this would be a good project. I certainly don't need it to be a formal vote, but I'm happy to withdraw the motion.

MG GRAHAM: And I'm happy to commit to taking it to Mr. Connor on Monday.

MR. WOODRUFF: That's all I can ask for.

MR. MURPHY: Since I created a – to reiterate, I'm completely with Matt in terms of alignment on, you know, the message and the importance.

MG GRAHAM: Okay. Good luck untangling that one there.

MR. POINTON: So, the motion is being withdrawn? That's the first time, in all those meetings I've been to, that we've had a motion withdrawn.

MR. MURPHY: We made history on our 100th meeting.

MG GRAHAM: We did make history. But thank you, Matt, and Andrew, well done managing all that.

MR. WEBER: I'll just stand back and let the meeting proceed.

MR. POINTON: Thank you, Andrew. Appreciate it. I know you were pinch-hitting for Orlando, so I appreciate you coming. Next up, we've got –

MR. WOODRUFF: And I just happened to have the opportunity to go through there fairly recently and see how mangled it was, and so I kind of knew something from the ground that maybe wasn't obvious to others.

MG GRAHAM: It's good to have ground truth.

MR. MURPHY: Yeah, it looked like somebody had taken a shotgun to it, or a cannon.

MR. HETTEL: This Marty. May I ask a question? On Brazos, do we got a notification that it's going to be shut down from 7:00 in the morning to 1900 every day to repair? Is that the west gate side that they're repairing?

MAJ ROBERTS: I'm not sure about that, but I'll get back with you. I'll give it to my Operations staff back at the district. I don't know that that's the case, but when I was out there, Marty and I went out there. Unless it's happened in the last 30 days or something, but I'm not aware of it.

MR. HETTEL: Well, I mean, he just sent us an e-mail stating that starting July 27th, it's going to be shut down for 12 hours a day daily to do repairs on the gate. I'm just curious if it was the west side or the east side. Thank you.

MAJ ROBERTS: See, if you can give us that money, we don't even need to fix it. So, look at the money you can save by spending a little now.

MG GRAHAM: Have to spend money to save money. Absolutely.

MR. JONATHAN GILLIP: Good afternoon. I'd like to thank Major General Graham, Chairman Murphy, members of the Board, and the federal observers for the opportunity to provide an update on the Three Rivers Project. My name is Jonathan Gillip. I'm the project manager from the Little Rock District.

Next slide, please. This project was authorized in 2018 by Section 1401 of America's Water Infrastructure Act. The authorized cost escalated to FY23 dollars to \$242.6 million – or \$242,611,000. The purpose of the project is to preserve navigation on the McClellan-Kerr Arkansas River Navigation System. Currently, an overland erosion between the White and Arkansas Rivers threatens an uncontrolled connection that will cause loss of navigation.

Phase 1 of the project has been awarded, and I'll define the phases on the next slide, with construction completions scheduled for September of 2026. Phase 2 has not been awarded due to a substantial cost increase in the project. And a Post Authorization Change Report (PACR) is in progress scheduled to be completed in March of 2024. We have a December of 2022 certified cost, developed through Walla Walla (USACE Cost Engineering Center of Expertise), of \$355,618,000. And based on that escalating cost from that certified cost, the cost is \$279,490,000. We do believe that the 902 Holiday may affect this project.

Next slide, please. I'll give you a little context to help bring yourself here. To the right is the Mississippi River. The White River runs diagonally from the top left to the bottom right, and the Arkansas River's in the bottom left. The project location's about four-and-a-half miles up the White River confluence with the Mississippi and about 16 miles up the Little Arkansas River within its confluence to the Mississippi.

The two phases are: Phase 1 is the design, build, construction of a hydraulic weir at Elevation 145 feet at a location of a historic closure structure, which is currently at 170 feet of elevation. And then Phase 2 is the design, bid, build, construction of a hydraulic containment structure at Elevation 157 feet. And minor modifications to Owens Weir and the LaGrues Culverts. The containment structure is approximately 4.2 miles long.

On the next slide, the project safety is good. Construction has not begun. Our contractors are just getting on site for Phase 1 work. As far as the project status, we will consider the project operational once Phase 1, the weir is constructed, and we began to yield some of the benefits of the project. We anticipate that being in September of 2026. The completion of the project as a whole was originally scheduled to be June of 2026, but due to funding challenges, we do not know when Phase 2 will be awarded. And for financial status, we need to increase authorization and additional funding in order to award Phase 2 of the project.

As mentioned, the Post Authorization Change Report is in progress. Phase 1 is a design-build construction contract. In the design-build, the Corps of Engineers is a conceptual design. In this case, we have about 35 percent level of design and performance requirements that the contractor takes and works with a designer to complete the final design, and the Corps reviews that in the process. That contract was awarded on 19th of July of 2022.

There was a protest, and we were not able to provide any contractor with a notice to proceed until January 2023. So, there was about a five-month delay caused by the protest. This five-month delay, though, lost a dry season. And in fact, it was about the driest season in over 20 years during the project. So, while normally five-month delay, the impact is more, you know, likely a year.

This Phase 1 contract or Phase 1 design is at a 65 percent design level. We're also working with the contractor to execute early work packages, including cofferdam and marine area construction, to allow the contractor to get on site during favorable site conditions prior to the full design being complete. And we anticipate a groundbreaking there August 24, 2023.

Our certified cost estimate was updated in December 2022, as mentioned previously. The updated estimate is \$355,681,000. This exceeds the authorization and exceeds the 902 limit. So therefore, we're working through the Post Authorization Change Report and Change Control Board. And this delays Phase 2 until additional funds are received.

Next slide, please. Here's where we're at. We've completed the Phase 1 design package for the design-build contract. The solicitation awarded the contract past the protest and we're now in the construction period of Phase 1. Phase 2 design was completed. We're working on the PACR. After we receive additional funding, we'll recertify the design, solicit the design and then go to construction. The entire process from receipt of funds through the end of construction has just been taking about four-and-a-half years.

As mentioned earlier, the Post Authorization Change Report is scheduled to be complete in March of 2024. And Phase 1 construction is scheduled to be complete the 30th of September 2026.

Next slide, on the funding summary, you'll see we received funding, both through the President's Budget and the BIL in 2022. The President's Budget portion was 65/35 percent cost share with the

Inland Waterways Trust Fund. And that's why in 2023, there was a funding swap to account for PED cost share, and that's been completed. We have an additional need in FY23 of approximately \$91,420,000. However, due to the time of the year we're in, we would be unable to solicit an awarded contract within FY23. And as time progresses, that additional need escalates just due to inflation. So, we've expressed that capability in FY24 of \$103 million -- \$103.17 million.

MR. HETTEL: Jonathan, Marty Hettel here. How can you request \$103 million when you've got to go through the PACR process to get it authorized at that cost?

MR. GILLIP: Well, as I mentioned, we believe that the 902 Holiday applies to this project. And it's my understanding in that case, we can request funding and then we'll provide that Post Authorization Change Request to explain, to notify Congress, but it's not necessarily required prior to execution.

MR. HETTEL: So, is there any risk of not getting the PACR authorized and then we commit to a \$103.17 million on a project that can't move forward?

MR. GILLIP: I don't believe there is any risk on that. The PACR or the cost increase is just a funding issue. It's not a change to go through the project and things. We're working through the project, and we've explained why that cost increases.

MR. HETTEL: And doesn't the Post Authorization Change Report, isn't that the word of legislation that carries that?

MR. GILLIP: Yes, sir.

MR. HETTEL: So, we wouldn't know whether or not the Post Authorization Change Report was approved until a WRDA 2024 legislation is passed?

MR. GILLIP: I believe that is correct.

MR. HETTEL: And if the WRDA 2024 legislation isn't passed, you're still going to request \$103 million? It just, as you heard, there are a lot of projects that need funding. I don't think what we need to do with our Trust Fund dollars is obligated to a project that we may not know if it can even be built. That's my concern.

MG GRAHAM: And so, let me see if I can tease that out, or if I can jump in here. So, the intent of Congress, you believe, was on the 902 Holiday was, don't slow down the stuff you are already working on, right? You couldn't envision that we would hit this inflationary period in the past. So, we're still working through the exact implementation guidance, is my understanding. So, we told them not to stop. So, I think it, as Jonathan said, we believe there's no to little risk, that if you put the money on this, that somebody would come in and tell them to stop. I guess we believe that was the intent on the 902 Holiday. Keep going though. We have to dot our I's and cross our T's, right? And then go back through the PACR, but it's after-the-fact so it still will get scrutinized, right? Did you exceed – or did you try to do something that Congress didn't authorize you to do, as authorized. We're not changing the scope of this at all. It's just the cost went up, right? And so, we believe we're squarely within the intent of Congress, which it couldn't foresee this coming, keep going, deliver for the nation.

MR. GILLIP: Go ahead.

MR. HETTEL: I guess that what you're telling me is if we give you the funding, you're going to spend it.

MG GRAHAM: We're going to invest it wisely to make sure that the White River doesn't turn into the Arkansas River. That's exactly right.

MR. HETTEL: Well, I understand the project scope.

MG GRAHAM: Yeah.

MR. HETTEL: I just want to get an idea.

MG GRAHAM: I guess you want to know the risk.

MR. HETTEL: It just bothers me that we could obligate money to pay for this project because you have to go through this process. But if you say you are willing go through it, and everything will be fine, I trust you, General.

MG GRAHAM: Okay. Right now, as we sit here today, I believe there's no risk that somebody would come in and tell them to stop. So, I think we're squarely within the intent of Congress.

MR. RASE: Jonathan, Lance Rase here. Interesting that we just had a motion come up and withdrawn. You know, back in March in Pittsburgh, the Board passed unanimously a motion to transfer, I believe it was the funds from the McClellan-Kerr deepening to the Three Rivers project to cover the shortfall amount. I believe it was the same thing we saw on the – what we're being told now is one of the three. Sounds like it is water under the bridge since proceeding with Phase 1 was not at risk. But what happened between March and now on that motion that passed? I don't know who I should be asking.

MR. GILLIP: Well, the motion is under consideration. It's my understanding we've looked at it. We looked at requirements of both the Three Rivers project and the (MKARNS) 12-foot channel project. We've identified how much we would need to award the Phase 2 contract on Three Rivers and support estimate for – support that project over time, as well as the amount of funding we would need in the 12-foot channel project to continue design work until such time that we could receive additional funding, which we think would be likely in FY25. So, we have evaluated that, and our suggestion was that \$80 million would allow that contract award and allow Phase 2 to continue. So that's being considered. There's a lot of variables in play, too, in addition to requesting money through the Board, there's an earmark that's made it into at least one version of the bill, or one version of the budget that would provide the necessary FY24 funding to the project.

MG GRAHAM: That was well stated. So, the Board's intent is absolutely clear. Mr. Connor understands that there's been a couple more variables thrown into this, as was just mentioned, and we're kind of seeing how those play out. But the intent of the Board, we greatly appreciate that, gives us some additional flexibility and options to make sure that we get this done.

MR. GILLIP: Another note on this slide. One last note before I move on. We have received an

updated BCR for the project. The updated BCR, considering the total project first cost is 2.11. For the remaining project cost, the BCR – considering only unobligated – the unobligated portion of the total project cost, that BCR is 4.5.

Next slide is the issues and challenges. I'm going to skip past the financial part, we've discussed that quite a bit. This project does have very challenging site conditions that do pose additional risk in the future. First, it's a very culturally significant area with significant prehistoric and historic activities in the area. So, we have to monitor continuously through construction for cultural discoveries, and that could pose schedule or cost impacts if something is discovered.

As far as the geotech at the site, listening to the previous presentations with locks being constructed on the bedrock, here's the bedrock, it's about 1,300 PT. So, there's no bedrock rock. We have completed extensive geotechnical investigations. We think we understand the necessary site conditions, but there is a risk if we encounter something that we don't expect. Another major risk, or a major challenge here is the extreme remote location of this site. It's a couple hours to any city with amenities, really. There's no local labor force. There's no hotels, grocery stores, things of that nature in the area. Even utilities are a challenge. Fortunately, it appears that our contractor is able to use Skynet for internet. So that's beneficial there. But the remote nature of the site is extremely challenging and poses a lot of risk as far as the contractor's costs and schedules. That's all I have, I think, pending any further questions.

MR. POINTON: Any more questions for Johnathan?

MR. OAKLEY: I'd just like to restate what Marty said. In Pittsburgh, the 12-foot channel is not going to do us any good if this fails.

MG GRAHAM: Sure. I absolutely acknowledge all your concerns.

MR. OAKLEY: I don't know how the stuff works.

MG GRAHAM: I'll certainly acknowledge that to Mr. Connor. It's absolutely in sync with you and the Board's intent – we've got to keep the river where it's at.

MR. GILLIP: Thank you.

MR. WEBER: Sir, if I may quickly address that pending question on the Brazos River west side floodgates. The current closures are related to more normal maintenance activities, you may recall from your visits to the floodgates there, the lockmaster has a list of collisions and miter repairs. That's what this closure represents.

MR. POINTON: Way to go. You threw out your lifeline. All right, moving on. We're going to move on to the Gulf Intracoastal Waterway down in the New Orleans area.

We're going to cover the status of the Inner Harbor Navigation Canal Lock and also, we'll get to the Bayou Sorrel Lock update. We've got Brad Inman here from the district, and he's briefed with you before on this. So, Brad?

MR. BRAD INMAN: I'm over here, sir.

MR. POINTON: There he is. Sorry.

MR. INMAN: Again, my name is Brad Inman and I'm the Projects and Restoration Branch Chief in the New Orleans office. I just had a recent knee replacement, so I don't like to stand too long, so I apologize for sitting here. I did want to mention that Colonel Jones and our top civilian Mark Wingate wanted to be here because of the importance of this to our navigation program and he had to be called away to a regional governance meeting in St. Louis. So unfortunately, they couldn't be here today.

Also, next week, if you happen to be in New Orleans on Wednesday, Thursday, or Friday, the Gulf Intracoastal Canal Association (GICA) is having their conference. And actually, I'll be presenting a more in-depth presentation on this – the inland waterway, the Inner Harbor Navigation Canal. So, we'll be working on that.

If you'll go to the next slide, please, just as a reminder, we are enjoined by federal court at this time and all the homework that we're doing right now on this, trying to update the study, is to get us an injunction so we can move forward on this project. So obviously, it's been a challenge. It's a 100-year-old lock. It's been authorized and amended multiple times. And some of those multiple amendments to the original law has us producing a community impact mitigation plan, which is somewhat unique. We're unaware of others having to do something like this for a project also, a transportation mitigation plan. Certainly, there's lots of impacts there.

I know many of you have been there to the Inner Harbor Lock there, and it does potentially cut off transportation to St. Bernard Parish there downriver. So, there's some issues with that.

Also, when we had done initial work before, we found that the HTRW impacts – we think they're mostly a diesel spill. That's one thing that when we get to the point where we are constructing this lock, we're going to have to do some cleanup. And then also, we got to have memorandum of agreement with the state on the – for cultural resources. And that's going to be fairly straightforward.

Cost for this, as of 2019, the cost was \$1.2 billion. And of course, we have to update those costs. And we also are at probably ten percent design. So, there's a lot of contingency on this project at this time.

Next slide, please. So just a short overview on the lock details. Again, you see in the upper point of the box is showing where the new location of the lock would go in. It's a 900 by 110-foot replacement lock as proposed with a 20-foot – 22-foot sill. And it's basically between the Clayborne Avenue and Florida Avenue Bridges. If you're at the bottom of the slide, that would be where the Mississippi River is. In areas of these communities, certainly, Environmental Justice issues are at the top of the page, as far as things that we have to deal with and dealing with the communities. A major emphasis right now is on the Community Impact Mitigation Plan, and of course, Transportation Mitigation Plan. Other major features at the bottom of the area there shows the St. Claude Avenue Bridge. That bridge is actually part of the existing lock. That bridge is, again, 100 years old. When that bridge was built, probably half the traffic was horses and wagon, not automobile. So that's how long this lot has been there functioning for the people of New Orleans and the Mississippi River.

This next slide is just a quick slide of the overview of the schedule. It shows what month we're in on the study and it shows a breakdown on the costs. I don't want to jinx anything, but we are on schedule

right now. And we've had a little scope creep, but we are trying to stay within budget, and right now, we are. So, unless there's any questions on this, I'll go to the next slide.

So again, really made some major progress. The last time we talked about this project, I think, was in Walla Walla, at the meeting there (Board Meeting No. 97 held on August 16, 2022). But on the Transportation Mitigation Program, we've got the Inland Navigation Center of Expertise (PCXIN) working with the navigation. Also, the Engineer Research Development Center, ERDC, has been involved. We've done the ship simulation. We've done tabletop exercises. Those have been tremendously helpful having the pilots there working with us. We've already made adjustments to the bridge design and pier locations for the bridge design and also the bypass channel, we'll be able to modify it with a tremendous savings potentially of the project and also not having to change some of the floodwall locations, which again, all that shows to the fact that as we move forward on this project, we're going to – a big emphasis is going to be that we need to do a complete Value Engineering effort and really be a unit to where we're at on the design on this.

And then equally important that we have to pass with the courts, is the Community Impact Mitigation Plan. And we are working with the Collaboration and Public Participation Center of Expertise (CPCX). They've been incredibly helpful. They actually have their contract that used to go out and get a team of people with the right expertise. So, we have – a contract is on board, they're leading the meetings. We're starting our listening sessions in August, and it has the opportunity to really get to know what the public wants and needs. And we have millions in this particular program that's potentially going to be able provide them with a number of things in their communities to help resolve the impacts.

We've also had targeted community engagements where we've had –it started with Colonel Murphy, and now Colonel Jones, actually going out and meeting one-on-one with the local leaders of the area. And it's been very interesting to have those small groups. And just a couple weeks ago, Colonel Jones was meeting with a City of New Orleans councilman, and he happened to have – apparently, got every person that's against the lock as a surprise ambush to Colonel Jones, so he had a very interesting meeting. So, he found out that not everybody is on board with this lock in that area. But again, it's having those smaller meetings and not in such regional meetings and public meetings, but again, we're just trying to reach out to local folks. One thing we found out in reaching out to these community folks, we actually invited them to come look at the lock. And this was one that a lady who was 80 years young said she lived her whole life in the Ninth Ward and had never been to see the lock itself. And when she was looking at the lock, she goes, man, you guys need to fix this thing. And I said, yes, ma'am. That's what we're trying to do. So go to the next slide.

Again, just key issues. And, you know, we know that there's some opposition to the project. We also know that we're working hard on the transportation, traffic congestion. That's where the work being done by a contractor there doing the actual counts and trying to figure out what's going to happen with the longer tows going through there and multiple bridges potentially being open at the same time.

We also realize we know there's a high risk for future litigation.

And we also know that we have a risk on our construction cost because of the design where we're at. This thing changed from a deep draft to a shallow draft, and so there's an awful lot of engineering that has to be done.

Mitigation strategy, we're trying to build that trust with small meeting groups with the Colonel going out and listening to the contractors and us, meeting again with the public. We're going to put an interactive web page meeting place where people can go look at kiosks and hopefully put down questions and that we can answer on the web along with our public meetings. We're trying to make sure that our message is clear and concise. And again, we're trying to inform the public of the changes in design. It's very technical to somebody saying, hey, how many houses are you going to impact? And we don't have a good design right now. So, I hesitate to say, oh, we're going to take out three houses, and then our design comes in and we are then potentially impacting more. So, we have to be very careful with our messaging and how we're dealing with the public and trying to get their trust.

So that last slide is just an overview, again, showing the Inner Harbor Canal and the existing lock. If you have any questions, I'll be happy to try to answer it.

MR. MURPHY: Brad, Spencer Murphy. Thank you for that presentation. I think that's a really concise summary of where we are. I would just say we've done a lot of work. The district has done a ton of work in the last two years. You know, you recall this project was at a dead stop not too long ago, and I'm pleased to say that there's a lot of forward momentum and it seems to be on track. And credit to the district because I know, you know, you catch Brad at the bar after a meeting, he'll tell you, you know, this project has been hanging around the neck of the district forever. And I think they're probably sick of it too, but they have done a good job of engaging directly with the community, putting aside whatever kind of jaded conceptions you might have about the project and really trying to make it work. I think that's made all difference in world. And Colonel Murphy and now Colonel Jones have really led the charge on that. So, I'm excited to see where it's going.

MG GRAHAM: Yeah, you've really pulled the thread on where it's going. Can you go back to the bar chart on your slide 4? Okay, that's it. So, Brad, if you could – so we're enjoined right now, and you say the goal is to get un-enjoined. But where in that bar chart do we get un-enjoined?

MR. INMAN: So, this study is going to provide information that our attorneys need to go back and meet with the Court. So literally, we want to have the Director's Report approved and complete before we take that action and have the Department of Justice, attorneys, et cetera, going in. So, it is a process. We have to have this complete, intent complete and satisfactory, so it passes muster through the division and Headquarters. And so yes, sir, at the end of this, we'll be ready to go, and then as sort of we, honestly, I don't know how long it will take once we get to the judge, for them to take action on it.

MG GRAHAM: Okay, so we're 21 months. No. Okay. Maybe two years out from the Director's Report?

MR. INMAN: Yes, sir.

MG GRAHAM: Okay. All right, so planning for success. All right, so to the Board it would – we've passed this point. Do we have an authorized project, correct?

MR. INMAN: Yes, sir.

MG GRAHAM: All right. So, the Director's Report is to satisfy the Court, or the Director's Report is for reauthorization?

MR. INMAN: The Director's Report would be to – what the new cost, showing the benefit-to-cost rate show, assuming that it's where it should be or where we think it would be, then we should be ready to go to the judge and then we'll be un-enjoined and be able to ask for funds to move forward and get to designing and building this thing.

MG GRAHAM: Okay. We won't need to go back through a WRDA?

MR. INMAN: No, sir.

MG GRAHAM: Okay. I just want to make – that's kind of where we're at. So, in many instances, this is a lot of – I'll call it an Army term, a maneuver space, but it gives us some wiggle room to keep setting the conditions for when the Director's Report's done?

MR. MURPHY: That's ongoing, that's 24-7.

MG GRAHAM: Right.

So that's two, you know, another two years of setting the conditions. And what Brad just said, we found some more oppositionists out there, and he had the opportunity to continue to understand their concerns and do our best to make it. And why I bring that up is we're committed to go down that journey with you, because I think this has been wildly successful, because I thought this was dead two years ago as well. I was about ready to put the lid on it and shovel dirt on it and say we're done. So wonderful work by industry to tell a story that we were failing, we the Corps couldn't tell. So just trying to make sure Brad isn't alone and unafraid of there, and I know he's not, but maybe, Spencer, you're in the best place to lay this out.

So, the next two years, what could we do to help or guarantee a better outcome than we're currently doing? Is there another rock we can turn over, or is there any effort we can do? Go to the chairman and go back over to Brad.

MR. MURPHY: I really don't think so. I think the work that industry, the resources the industry has brought to the table to partner with the district, along with the internal Corps resources that have been brought to bear, I think are probably as good as it gets and particularly are really laser-focused on this community. I mean, its people who know this community, which is not a big community, and it requires some specialized knowledge, I would say. And so, bringing in more people from DC, or Walla Walla, or anywhere else is not really going to help anything. So, I think the work that is ongoing is productive and successful. I do think, you know, it is important that we define what we mean by successful. And no matter what we do, if we define success meaning 50 plus 1 percent of the local neighborhood will support this project, we'll never reach that. That's not what success, to me, looks like. Success, to me, is getting key members of the community to understand what the project is, what it isn't, what the benefits that will flow into the community are, if the project, you know, is successfully prosecuted, and being able to get the project done on that basis. And we will not please everybody and we never will. But I think the work that is going on will make this a much easier process than it was going be before.

MR. POINTON: Brad?

MR. INMAN: Yeah. I would just say that we wouldn't be where we're at right now without the help of industry, who has been certain, and their guidance has been tremendous in assisting. It's changed the messaging. We've taken different approaches in the messaging and the Center of Expertise for Collaboration has helped us. We're having meetings every two weeks with our PDT, our project development team, to make sure we're staying on point, having continuing meetings. So, I think we have things in place and to me, success is, you know, we get them un-enjoined. The step is in place to actually make an impact to these communities. And so, funding comes down, so that we are actually able to start building some of those projects to show them that we mean what we say, and that we get this thing going.

MR. MURPHY: Also, worth noting that I wasn't in the room, but I will bet a paycheck that of the people in that room that were opponents of the project with the city councilmen, probably less than ten percent of them actually lived in the neighborhood. There were a lot of folks for whom this is a rallying cry, that they enjoy talking about, but has no direct bearing on them or their neighborhood. So that's the other thing to consider, is when you are speaking to the opposition, just understanding exactly who you are talking to. Because not all of them are created equal in terms of their standing to have an informed opinion on the project.

MR. INMAN: Any other questions? If not, we'll move to the Bayou Sorrel Lock. Let's go to the next page, I mean the next slide. Okay, thank you.

Again, there has been a couple significant things that happened since I briefed this at the Walla Walla meeting that we had last year, but it's still a project that most of you never have seen. It's got a dual purpose, not only is it navigation with a lock, but also it has the flood risk reduction, as that's a low point in the East Atchafalaya Basin Protection Levee System.

So, the recent updates, which really make an impact with this, is the request from Mr. Belk (Mr. Edward Belk, USACE Director of Civil Works) to Mr. Connor resulted in Bayou Sorrel Lock Replacement so that it can be designated as a new investment decision in lieu of a new start. When the study had problems, when we were actually designing the project in 2011, and suddenly had real significant cost issues, we actually got General Kaiser to sign a memorandum saying that we wanted to put this on the shelf and wait until the economics to see the economic change has occurred, that could potentially provide a positive BCR ratio for this project. So, at that time, we were told, no, that can't happen. You know, it is a brand new start and so this memorandum actually changes that.

So, we are continuing to request funds to get started on this. And also, the congressional delegation has really shown renewed interest, I suspect, in lobbying from the industry to certain congressmen. We actually were scheduled on the day after Memorial Day to have a visit with the Congressman Garret Graves, who was going to spend most of the day at the lock with us and go to actually get on the water and look at some of the challenges, but he actually was negotiating the debt ceiling at the House of Representatives, and so he had to decline at the last moment. But he has promised to come back out and see what's going on there at the lock, and he's made that a priority.

One thing I do want to mention is that this cost has to be updated in the study. The previous cost is based upon about 30 percent design in 2012, and that was about \$330 million. So, I hate to guess what that will be today, but that also has to be updated and approved.

If you go to the next slide, again, we're just looking at an overall project schedule.

Next slide, please. Thank you. And once we receive funds, we're essentially looking at potentially a three-year effort. I've been told by the Center of Expertise for Inland Navigation (PCXIN) and with our economic folks at the district, that – and I asked it separately, I wanted to make sure I didn't get the different answer, that it's going to take about 18 months to do a level 3 economic evaluation. They really got to dig in on the LPMS (lock Performance Monitoring System) data. They've also got to look at the project conditions and engineering. One thing I promised the chairman is that if LPMS is saying that we have X, and Spencer is telling me that, no, it's X plus a bunch, then we're going to dig into it and find out what's going on, because I know industry is not making up numbers when you're sitting there waiting to go through the lock. And so, we're going to really push hard to make sure the LPMS data is correct at this time.

MR. HETTEL: Hey, Brad, this is Marty. Can I ask you to touch base on that LPMS data?

MR. INMAN: Yes, sir.

MR. HETTEL: Knowing that this project is coming up, I've been keeping tabs on every lock at Bayou Sorrel since the first of the year. Just for knowledge, 2,764 tows with 9,487 barges average 4.53 hours of delay at the lock through. Now, the difference between LPMS is, when they have the assist boat to take a cut through on a six barge tow, when that boat has to go back up to the northern side of the lock, they're showing zero delay, because he is passing right through without any delay. That's going to distort your LPMS data. So, to be accurate, you have to get rid of that assist tow running through their report.

MR. INMAN: Okay. I think when we get to that point and we're funded, I'll try to work and make sure that we have the right members in this room, talking with our LPMS friends and make sure that we're all on the same page, because this was certainly an issue the time before. And I know we didn't get the right numbers at that point in time. So, a pretty important lesson learned. So, once we work doing that, we'll be looking at the feasibility level analysis, taking a look and then making sure what our BCR is. Then, of course, we'll have it reviewed by our division and Headquarters to get approval to the chief's report. Any questions?

MG GRAHAM: I just got one. One of the CG's goals was to let's get to commonality of the components, commonality of designs, stop doing a bunch of bespoke solutions. Why is this 75-foot wide and not 110?

MR. INMAN: When it was the feasibility study, if it was the community plan, and that 110 was very close. So, in this analysis, we're going to have to look at those alternatives again, and there is a possibility that 110 could be the right answer.

MG GRAHAM: Okay.

MR. SMITH: And also 1,200 feet.

Are there five in total or five a month?

MR. INMAN: And again, this feasibility setting was, I think, wrapped up in 2004, so we're talking about a 20-year-old study.

MG GRAHAM: Tom, to your question – where it makes sense, we want to get commonality as much as we possibly can. But I don't want to force that where it doesn't make any sense. Okay.

MR. HETTEL: A lot of it depends on the other locks. Look at the dimensions of Port Allen.

MG GRAHAM: Yes.

MR. HETTEL: They mention the Algiers Lock as well. When we run six barges over there, it's two wide and three long. When we run 30K units totals, we only run two barges. They're stretched out. I think you run three barges 30Ks over there.

MR. MURPHY: But it's still going to be too wide.

MR. HETTEL: Yeah.

MG GRAHAM: Okay. Okay.

MR. INMAN: The next slide, please. So, these are just some of the issues that we identified, that once we get funding, that we'll be working on. One, again, is the historical LPMS data. When we did the last effort, the DOE (Department of Energy) was actually showing a reduction in petroleum and oil in the U.S. That was pre-fracking, obviously. Things have changed, so we hope that those projections will help figure out where we're going to be on a treat economic analysis. We do know there's going to be a project cost increase in the lock itself. Again, this one is another study that we're going to need a Value Engineering effort to make sure we have the best solution, again, with dual purpose.

So, we're going to have to attribute part of the costs to flood risk reduction and part of the costs to navigation, you know, and come up with the benefit-cost ratio and make sure we've got the right plan, whether it's a 110 by 1,200, or what the current one is, 75 by 1,200.

And the last slide is just an example of showing where the design of the new lock would be adjacent to the existing. One of the real advantages of this, obviously, is we could begin constructing that lock while the current lock is fully functional. And so that's one of the main advantages of being able to go to this effort and make it happen. So, with that, any questions?

MR. MURPHY: This is Spencer. I don't have a question, but I wanted to point out, I'm sorry for interrupting here, but Mr. Connor making the change from a new start is really much appreciated. And this project was at dead stop for a different reason, but now moving forward, because of the work that the Board has done, I think, in educating Mr. Connor and his being present to come and actually see it and understand it. So, I appreciate his work to do that because I think it was the right thing to do, but we would otherwise kind of still be spinning our wheels a little bit, trying to get a new start. So, I really appreciate that. Please tell him thank you.

MR. POINTON: Any more question for Brad?

MR. HETTEL: Not for Brad, but I do have one.

MR. POINTON: Any more questions then, Marty?

MR. HETTEL: Yeah. Last one of the day, I promise. You know, we received a lot of information on Kentucky Lock tour yesterday. What we didn't see today was a presentation on it. So, I don't know if Ms. Burks could answer this question or not, but back in the Pittsburgh, the \$332 million that they needed to fully fund this project was split up between 2005 through 2028. Has that changed at all?

Is this still the capability funding for the Kentucky Lock?

MS. BURKS: Yes, sir. You said 2005 to 2028. I'm assuming that your referencing 2025 and 2028?

MR. HETTEL: Yeah, 2025 was \$75 million, 2026 was \$168 million, 2027 was \$62 million, and 2028 was \$27 million. I'm just curious if those are the same numbers and those haven't changed?

MS. BURKS: Correct. Yes, sir. That has not changed.

MR. HETTEL: Okay.

MS. BURKS: So that \$75 million will allow us to award a base contract. And then we'll still be able to award the options.

MR. HETTEL: That's fine. I just wanted to make sure that your capability funding numbers hadn't changed, because we didn't get that information yesterday. Thank you.

MS. BURKS: Yes, sir. Thank you.

MR. POINTON: Thanks again, Elizabeth. Any more questions? For Brad or anything else we've heard today? Because we are getting towards the end.

Yes, Spencer?

MR. MURPHY: Mark, I just have one last thing not related to but violating Rule 101 of being a lawyer is just asking a question that I don't know the answer to, but you had made a couple comments pointing out on some of these projects that were supposed to be fully funded by IIJA, almost all of which are going to need additional funds, is what it looks like. I'm just curious if it would be the sense of the Board to pass a motion or express some sentiment that, to the extent that there's any additional funds needed for those projects, that should come at 100 percent federal and not have it come from the Trust Fund, given that they were intended to be fully funded by the IIJA. So specifically talking about Montgomery, Three Rivers, Kentucky, and we didn't hear anything about it, but the T.J. O'Brien Major Rehab as well. And Lock #25, excuse me. If anybody disagrees with me, then I will --

MG GRAHAM: You did know the answer to that question. Okay. All right.

MR. MURPHY: Does anyone want to motion it?

MR. HETTEL: Is that your motion?

MR. MURPHY: Yeah. I mean, I would put forward the motion that says, to the extent that any additional funds are needed from Montgomery, Lock and Dam #25, Three Rivers, Kentucky, and T.J. O'Brien, that the additional funds should be 100 percent federal and not cost shared from the Trust Fund.

MR. OAKLEY: Will that hold things up?

MR. MURPHY: I don't think so. Anyone second?

MR. HETTEL: Oh, I'll second that. And to your answer, Mr. Oakley, that -- they're going to be held up with the additional funding you've seen today. We have \$125 million contribution to the Trust Fund, max of 65/35 creates about \$330 million in annual availability for appropriations. I don't see us being able to cover all these additional costs that we're going to see with these new projects coming down the line. So, for that reason alone, I would support the motion.

MR. MURPHY: Thank you.

MR. POINTON: So, you second the motion, Marty?

MR. MURPHY: Yes, he did.

MR. HETTEL: I will second.

MR. POINTON: So, any more discussion before you all take a vote on that, since we did withdraw a motion already earlier today? Okay. All in favor?

BOARD MEMBERS: Aye. (All members indicating aye.)

MR. POINTON: Any nays? All right, the motion passes. I think that's it.

Thank you, Brad, I appreciate it, on your projects down in New Orleans. I hope for more of those.

We've come to the public comment period. I have no public comments that I am aware of that will be provided. One last call, you've got about ten seconds. Does anybody want to make a verbal public comment? I see no one saying that they do. Going once, going twice, sold, no public comments. The public comment period is closed.

We're going to move on to the closing comments, but before I turn it over to General Graham and the Chairman for their comments, I'd like to shout out a thanks to the Waterways Council (WCI) for being our host today, and with the generosity for our refreshments today. I know Tracy Zea managed to make it down, so I appreciate him being here. I guess, they have, like, a trinity here, I guess. We've got Deb Calhoun is here, as well as Jen Armstrong, so I appreciate them coming here. We've got the three of them here today, so I think we just wiped out their home office because they're all here in Paducah. So, thank you for that.

And there's a lot of people that helped from the Nashville District, I'd like to say thank you to Captain Cotton who was instrumental in making all of this work. And we've got Lieutenant Lee here today. They've been instrumental in making everything work here today, and all the audio-visuals come back on when we had our little electrical blip. So, I'd like to say thanks to them as minimum, as well as everyone else at Nashville who has been helping out with his.

So, sir, now I'm going to turn it over to you for your closing comments.

MG GRAHAM: Okay. First off, I think we've been at it, reconstituted for a year now? Is this a year, since the --

MR. POINTON: About 18 months.

MG GRAHAM: About a year? About 18 months? Okay. So, I think we're re-hitting our stride. Mark, thanks for getting the money view straight with Treasury and starting to make sure that the Board has a good understanding of where their money's going. So, thanks for that.

Thanks for getting the consistent slide format. That was a long road to hoe, but I think we finally got there, that we can actually focus on understanding the information on the slides, and not having to learn how to read them. So, for all the districts out here to support that, thanks for that discipline. That's important. A good discussion here today. The one piece we didn't talk about was the Capital Investment Strategy we talked around it – not around it, but about it. When does that get updated?

MR. HETTEL: The next one is scheduled for 2025.

MG GRAHAM: 2025.

MR. HETTEL: To be completed in 2025. Every five years, General.

MG GRAHAM: Okay.

MR. POINTON: The WRDA stipulates every five years. The last one was in 2020.

MG GRAHAM: Okay.

MR. HETTEL: Right. We did an update in 2022 with the IJA projects.

MG GRAHAM: Okay. All right. And so, if it has to be completed by 2025, and we start on that in 2024, is that the plan? All right. Who leads that effort? Tom? You and Tiffany?

MR. SMITH: Yes, sir. Tiffany and I and the team have already had some initial discussions about how we'll set the judicials for the approach and the next step is to kind of formalize that, then bring in our industry partners.

MG GRAHAM: Okay, okay. So, we're on a glide path to make that happen?

MR. SMITH: We're starting the glide path, but we understand the timeline and we understand the issues.

MG GRAHAM: Okay. So again, thanks to the Nashville Team for putting all this together. Thanks for everybody for coming and sharing an understanding between the Corps various stakeholders and districts and industry and where we're at in safeguarding and stewarding this transportation system, this vital transportation system. So, Chairman Murphy?

MR. MURPHY: Thanks, General. And again, thank you to Nashville District for yesterday's tour and for hosting the meeting. I just have two comments.

We covered one of them in our motion, so it was three, now its two. The first one is, you know, in the case of Brazos, and then in MKARNS (McClellan-Kerr Arkansas River Navigation System), we had separate but similar instructions where we've identified what looks like pots of money that are available to actually finish two of these projects. And I just would encourage the Corps to be proactive in looking at those type of opportunities, because if there's money available that is not being put to work and there's a project that needs money, let's put that money into projects rather than on the side. And just to repeat my ongoing theme of help us help you. And I think the way I would summarize that very quickly is to share whatever you can with us, whenever you can. And we understand that you have constraints about what you can share and when, based on contracting concerns and different constraints put on you within the federal government, but we are available, and actually, pretty effective in advocating for these projects when we are given the right information from the Corps. So, if you can help us with, that we will help you and we will get these projects funded and you can build them. Thank you.

MR. POINTON: Any other members around the room who would like to make any comment?

MR. WEBB: I just wanted to be able to say thank you for your practical approach to this whole low water situation on the Mississippi River. We've still got a while to go here. You know, David says that we would still be in trouble here and kind of rather the same situation we did last year. So, thanks everything that you're doing and your continued effort, and we'll work as an industry with the Corps, stakeholders and ourselves to try to make sure that we can steer through this system to keep our supply chains moving.

MG GRAHAM: Okay. Thank you.

MR. POINTON: Okay. Any other members?

Tretha, did you want to make a comment?

MS. CHROMEY: So, I just kind wanted to -- I actually brought this up to Mark, and sir, you brought this up, the Capital Investment Strategy. Again, learning the process here. I just would ask the Board to consider all the other required strategies that we have been looking at, and DOT requires that the National Defense Authorization Act asked us to look at the National Maritime Strategy, the departments and the mariners are in the process of doing this. It is twofold. It's about supply chain, but it's also about moving, you know, our mariners and things like that. It's about workforce. There's a lot of requirements in that, the authorization.

There's also a National Freight Strategy that has to be done with the department. There's just a lot of other elements that relate to the arrangements for the transportation system. And I know the General and I spoke about projects and delivery of projects and coordination of projects. And you know, as I mentioned earlier, we have our Gateways, and we have all this money going out the door, but if we're not looking at how projects are being delivered and the impact to the system as a whole, how could we be more efficient as federal agencies? And we talk internally, but I would be open to hearing some suggestions on what we could do better. Again, from the DOT's perspective, and in concert with the Corps of Engineers. So just some thoughts to think about. The strategy for the National Maritime should be -- it's under contract, there's a lot of -- lots and lots of rules and how we have to award the contract to develop the strategy. But as soon as I have more information, I will share that at the next meeting. Thank you.

MR. POINTON: Thank you. All right. Do we have a motion to adjourn?

MR. MURPHY: I move.

MR. RASE: Second.

MR. POINTON: It's like pulling teeth with you guys today.

Motion to adjourn, all in favor?

BOARD MEMBERS: Aye. (All members indicating "aye".)

MR. POINTON: Any nays? Meeting is adjourned.

(Whereupon the meeting concluded at 2:11 P.M. (CT))

Inland Waterways Users Board Meeting No. 100
Paducah, Kentucky
July 20, 2023
Comments Provided for the Record
From the National Oceanic and Atmospheric Administration (NOAA)

Thank you. Good morning General Graham, Chairman Murphy and Vice Chairman Judd, members of the Board, fellow Federal observers, and staff. NOAA's remarks are being submitted virtually as neither RDML Ben Evans, the Director of the Office of Coast Survey and a member of the Mississippi River Commission, or Ms. Heather Gilbert, Senior Advisor in the Office of Coast Survey, are able to attend due to schedule conflicts. They both send their greetings and regrets that they are unable to attend today.

Below are some updates which may be of interest to the Board members and meeting attendees:

- NOAA released its 2023 Atlantic Hurricane Season Forecast which predicts near-normal hurricane activity in the Atlantic this year. NOAA's outlook for the 2023 Atlantic hurricane season, which goes from June 1 to November 30, predicts a 40% chance of a near-normal season, a 30% chance of an above-normal season and a 30% chance of a below-normal season. NOAA is forecasting a range of 12 to 17 total named storms. Of those, 5 to 9 could become hurricanes, including 1 to 4 major hurricanes. NOAA has a 70% confidence in these ranges.
- NOAA Lower Mississippi River Forecast Center (LMRFC) is continuing to monitor and work with local stakeholders as we deal with low water conditions. The low water pattern is expected to continue barring major precipitation events that will be recorded in future updates.
- [NOAA](#) opened a competitive funding opportunity for the Climate-Ready Workforce for Coastal States, Tribes, and Territories Initiative to connect people across the country to well-paying jobs, such as landscape technicians, heat health outreach specialists and climate equity officers, that tackle the climate crisis and boost local resilience. NOAA will invest \$60 million total from the Inflation Reduction Act for the initiative — a \$50 million competitive funding opportunity and \$10 million for technical assistance to support applicants and grantees. NOAA is seeking qualified state, tribal, territorial and local governments, institutions of higher education, and non-profit organizations in coastal states or territories to lead partnerships to train and place workers in quality jobs that enhance climate resilience. These partners will work collaboratively with NOAA to support regional economies and their associated workforces in distinct sectors and industries by developing training and placement programs that help workers enter or advance into quality jobs focused on enhancing resilience to climate-related impacts.
- NOAA's National Ocean Service is improving its suite of high tide flooding products to grow and expand the accessibility of this information for coastal communities. As part of these efforts, NOAA recently released the new Monthly High Tide Flooding Outlook, or Monthly Outlook. This marks a major advancement in NOAA's capability to predict coastal flooding at a sub-seasonal scale to better serve the needs of communities planning for the impacts of climate change. Relying on tide predictions, sea level rise trends, and seasonal changes, the new Monthly Outlook provides the likelihood of high tide flooding for each day in the calendar year at specific locations, up to a year in advance. The Monthly Outlook replaces NOAA's Seasonal

Bulletin and is now displayed alongside NOAA's State of High Tide Flooding and Annual Outlook on the Center for Operational Oceanographic Products and Services (CO-OPS) website. This change allows users to access integrated high-tide flooding predictions across a range of timescales (annual to sub-seasonal) in one location.

- Predicting the likelihood of flooding is increasingly important in helping communities plan for and mitigate flooding impacts. NOAA's High Tide Flooding Monthly and Annual Outlooks provide coastal communities with a more complete picture of when, where, and how often high tide flooding may occur. Together these outlooks can help communities better prepare for high tide flooding in the near- and long-term. The improvements to the Monthly and Annual High Tide Flooding Outlooks were made possible by the Biden Administration's investment through the Bipartisan Infrastructure Law (BIL).
- Within NOAA's Office of Coast Survey, we are connecting the dots between climate resilience and the need for a workforce skilled in science and technology supporting ocean and coastal mapping. Exposure to key disciplines, from geodesy, oceanography, and science data management to modeling, hydrography and GIS-based cartography, is critical to building robust interest, opportunities and expertise in the government and industry geospatial careers supporting climate resilience. NOAA works with a variety of partners to advance workforce development in these foundational geospatial areas. In particular, hydrography – measuring water depths, locating hazards, and describing the seafloor – is a challenging but exciting field dependent on skilled technicians, surveyors, and scientists to acquire mapping data using state-of-the-art technologies. With only 50% of U.S. coastal, ocean and Great Lakes waters mapped, there is a lot of work to do.
- We would also like to make you aware of a new website that may be of interest. A new ArcGIS Hub Site sharing the results of the [3D Nation](#) Elevation Requirements and Benefits Study, which was published in September 2022, is now available. The site resulted from a study that was sponsored by the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Geological Survey (USGS), and conducted by Dewberry, and documents nationwide requirements and benefits of 3D elevation data both on land and underwater. The study also estimates the costs associated with meeting these requirements and evaluates multiple scenarios for enhancing national elevation mapping programs. The goals of the 3D Nation Study were to capture inland, nearshore, and offshore topographic and bathymetric elevation data requirements and benefits and understand how those requirements and benefits dovetail in the nearshore coastal zone. By learning more about business uses and associated benefits that are realized from improved 3D elevation data, for both heights and depths, mapping agencies can better prioritize and direct investments to best serve user needs.
- And finally, a competitive funding opportunity to develop and implement accelerator programs that support small businesses and entrepreneurs commercialize ocean, coastal, and Great Lakes-based climate solutions has been released. For the full details, please go to <https://www.grants.gov/view-opportunity.html>.

Thank you General, Chairman Murphy and the Board for this opportunity to provide these remarks. Again, we regret that we are unable to join you today, but would welcome the opportunity to answer any questions by correspondence.

Inland Waterways Users Board Meeting No. 100
Paducah, Kentucky
July 20, 2023
List of Participants

<u>Last Name</u>	<u>First Name</u>	<u>Affiliation</u>
Armstrong	Ms. Jennifer "Jen"	Waterways Council, Inc. (WCI)
Bateman	Ms. Vanessa C.	USACE, HQ Civil Works Engineering & Construction Div
Beer	MAJ Garrett W.	USACE, Headquarters, Office of the Chief of Engineers
Braden	Michael	Michael Baker International
Bronson	Ms. Candida K.	USACE, South Atlantic Division
Burks	Ms. Elizabeth M.	USACE, Nashville District
Burroughs	Ms. Tiffany S.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Byrne	Ms. Shelley	The Waterways Journal (TWJ)
Calhoun	Ms. Debra "Deb"	Waterways Council, Inc. (WCI)
Chambers	Patrick A.	USACE, Mississippi Valley Division
Cheek	John D.	USACE, Great Lakes and Ohio River Division
Chromey	Ms. Tretha	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Clouse	Paul D.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Coffelt	Matthew G.	USACE, Rock Island District
Cotton	CPT Joseph R.	USACE, Nashville District
Cunningham	Madison	Office of U.S. Representative James Comer
Dauenhauer	Rob M.	USACE, Inland Navigation Design Center (INDC)
Dening	Christopher T.	USACE, Pittsburgh District
Dickens	Justin	Crouse Corporation
Dorsey	Chad	U.S. Dept. of Transportation, Maritime Administration (MARAD)
El-Naggar	Kareem S.	USACE, Great Lakes and Ohio River Division
Evans	Mark Philip	USACE, Nashville District
Felder	Ms. Cherrie	Channel Shipyard Companies (and WCI BoD)
Frantz	David A.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Frost	Stephen	USACE, Pittsburgh District
Germann	Robert T.	USACE, South Atlantic Division
Gillip	Jonathan A.	USACE, Little Rock District
Graham	MG William "Butch"	USACE, Headquarters, Civil Works Executive Office
Green	LTC Robert W.	USACE, Nashville District
Haake	David	American Commercial Barge Line LLC (ACBL)
Harbour	Ms. Lyndsay R.	USACE, Nashville District
Harshman	Scott	Port of Pittsburgh Commission

Henderson	Richard	U.S. Dept. of Agriculture (USDA), Transportation Ser Div
Hernandez Rivera	Eliel A.	USACE, St. Louis District
Hettel	Martin T.	American Commercial Barge Line LLC (ACBL)
Horgan	Thomas	SCF Marine, Inc.
Jackson	Clay	Schimmick Construction
Johnson	Phillip M. Jr.	USACE, Great Lakes and Ohio River Division
Judd	Damon S.	Marquette Transportation Company
Klenklen	Chris	Missouri Dept. of Agriculture
Koeferl	John	
Kreider	Richard C.	Campbell Transportation Company
Lee	LT Travis C.	USACE, Nashville District
Leese	Ms. Catherine "Kate"	USACE, St. Louis District
Lopez	Jose R.	USACE, St. Louis District
Magary	Ms. Brooke E.	USACE, St. Louis District
Marcey	CAPT Daniel L.	USACE, Headquarters, Civil Works Executive Office
Morrison	Michael	Tennessee Valley Authority (TVA)
Murphy	W. Spencer	Canal Barge Company
Norrenberns	Elizabeth A.	USACE, St. Louis District
Nyberg	Jason	Marquette Transportation Company
Oakley	Dennis	Bruce Oakley, Inc.
Olson	Patty	Schimmick Construction
Peterson	Ms. Christina	Office of U.S. Senator Rand Paul
Phenow	Patrick	Minnesota Dept. of Transportation (DOT)
Pierce	Craig R.	USACE, Little Rock District
Pinkham	Jaime A.	HQDA, Office of Assistant Secretary of Army for Civil Works
Pohlman	Rick	Illinois Dept. of Natural Resources
Pointon	Mark R.	USACE, Institute for Water Resources
Rase	Lance M.	CGB Enterprises, Inc.
Roberts	MAJ Eugene E.	USACE, Galveston District
Schafer	Ms. Alexandra "Allie"	USACE, Institute for Water Resources
Schimpf	Andrew C.	USACE, St. Louis District
Schweitzer	Brynn	Kentuckiana Court Reporters
Shaw	John M.	USACE, Pittsburgh District
Shibata	James T.	USACE, Pittsburgh District
Sluka	Joseph	Rose Point Navigation
Smith	Thomas P.	USACE, HQ Operations & Regulatory Division
Smitherman	Kelly M.	USACE, Nashville District
Stoneking	Jeffrey	American Commercial Barge Line LLC (ACBL)
Tarpey	Michael J.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Taylor	Ms. Crystal D.	Ingram Barge Company

Thompson	Christopher C.	USACE, Nashville District
Triplett	Ms. Deanna	Iowa Economic Development Authority (EDA)
Trzaska	Brian	USACE, Pittsburgh District
Turner	Richard C.	USACE, Southwestern Division
Vaughn	David	ExxonMobil
Vogler	Patrick D.	USACE, Great Lakes and Ohio River Division
Walker	Adam C.	USACE, Nashville District
Wallace	Ms. Kirsten	Upper Mississippi River Basin Association (UMRBA)
Webb	Jeff	Cargill, Inc.
Weber	Andrew R.	USACE, Galveston District
Wetherington	Austin	Office of U.S. Representative James Comer
Winters	Robert L.	USACE, Nashville District
Wiseman	Kyle L.	USACE, St. Louis District
Woodruff	W. Matthew "Matt"	Kirby Corporation
Zea	Tracy	Waterways Council, Inc. (WCI)