



US Army Corps of Engineers
BUILDING STRONG.

**Inland Waterways Users Board Meeting No. 101
Hilton Springfield Hotel – Mount Vernon-Gunston Rooms
Springfield, Virginia**

October 19, 2023

Minutes
Inland Waterways Users Board
Meeting No. 101
at the Hilton Springfield Hotel – Mount Vernon-Gunston Rooms
Springfield, Virginia
October 19, 2023

The following proceedings are of the 101st Meeting of the Inland Waterways Users Board held on the 19th of October 2023, commencing at 9:00 a.m. This is the third 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, Board Chairman, Canal Barge Company, Inc. (CBC)

MR. TIMOTHY POWER, Board Member, SCF Marine, Inc. (Virtually.)

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

MR. ROBERT D. RICH, Board Member, Shaver Transportation Company.

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. (Virtually.)

Board Members not in attendance were MR. DAVID LOOMES of Continental Cement Company, and MR. DENNIS OAKLEY of Bruce Oakley, Inc.

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:

MS. STACEY E. BROWN, Deputy Assistant Secretary of the Army for Civil Works, for Management and Budget, Headquarters, Department of the Army, Washington, D.C.

MS. ANN PHILLIPS (Rear Admiral, USN, Retired), Maritime Administrator, U.S. Department of Transportation, Maritime Administration (MARAD).

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

MS. RACHAEL A. DEMPSEY, Deputy Assistant Administrator, for Navigation, Observations and Positioning, National Ocean Service, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce, Silver Spring, MD.

MS. HEATHER GILBERT, Policy Advisor, Office of Coast Survey, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce, Silver Spring, MD.

MS. ALEXIS HEYMAN, Transportation Services Division, U.S. Department of Agriculture (USDA).

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. STEVEN D. RILEY, Alternate Designated Federal Officers (ADFO), Inland Waterways Users Board, U.S. Army Corps of Engineers, Institute for Water Resources, Alexandria, Virginia.

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.

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.

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. Stephen R. Fritz, U.S. Army Corps of Engineers, Pittsburgh District, Chief, MEGA Projects Branch.

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. Orland Ramos-Gines, U.S. Army Corps of Engineers, Galveston District, Senior Project Manager.

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

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: For the presenters, we're going to run the presentations centrally again. So, feel free to move up to the podium and my colleague Allie will be advancing the slide for you, similarly to what we've done up in the last three or four meetings. So just ignore the next slide please after every presentation.

Welcome to Springfield, Virginia. I'm Mark Pointon, I'm the Designated Federal Officer for the Inland Waterways Users Board. This is the 101st Meeting of the Inland Waterways Users Board. We've had several meetings here and I think the first six or seven were held in the Washington region, but we typically go out to field locations.

We actually held a meeting here. The last one was here in September 2019. It wasn't a deliberate act, but in this exact hotel and this exact same room. So, it worked out pretty well. Can't complain. We have a couple of guests from other federal agencies here today. We've got Ms. Ann Phillips from the Maritime Administration, actually the Maritime Administrator. And we got Ms. Rachel Dempsey here from NOAA (National Oceanic and Atmospheric Administration) as well as our regular federal observer representative from those agencies. So, we're glad to have them here. Appreciate you coming.

Ms. Brown is here representing Secretary Connor from the Assistant Secretary's office. Welcome Stacey.

And we have Ms. Alexis Heyman from the U.S. Department of Agriculture. She's been to a few meetings, but I think this is the first one you got a seat at the table. I don't know if that's a good thing or bad thing for you, but welcome.

MAJOR GENERAL WILLIAM "BUTCH" GRAHAM: We will find out as the meeting goes on.

MR. POINTON: Yeah, the General will find out for you, okay. 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 Resources Development Act of 1986. It provides the Secretary of the Army and the Congress 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. I have not been running these meetings since 1972.

This is a Sunshine in the Government Act meeting and as such is open to the public and we do have a lot of people in the audience today. So welcome for coming, folks.

The Army Corps of Engineers is the sponsor of the Board and provides for the Executive Director, the Executive Secretary, and the Designated Federal Officer (DFO). And we administer all the normal activities for the Board.

I have no requests to make public comment right now at the meeting and we did not receive any written public comments. So right now, there's no verbal or written statements that are affiliated with this meeting. If anybody wishes to make a public comment, just bring me a little note or see me in the break and whisper in my ear that you want to make a comment and we will accommodate you during the public commentary towards the end of the agenda.

The proceedings are being recorded and we'll have the transcript and recording available after the meeting. And we are -- we have no local District that has -- supporting us. So, I'm going to turn the microphone over to Major General (MG) Graham as the Deputy Commanding General for Civil and Emergency Operations (DCG CEO). I'm not sure what else title he has, but he's Executive Director of the Inland Waterways Users Board.

MG GRAHAM: Good morning, everybody. Thanks for being here and braving I-95 to get here from -- and somebody said they came in and they were tearing this building down out there and wondering if we're in the wrong spot.

MR. POINTON: Nobody parked next to the building, did they?

MG GRAHAM: So, I think this is my fourth last Users Board meeting. So, my replacement's replacement, replacement is still caught up in the Senator Tuberville hold. So, I'm holding down a couple of jobs here. But when we saw this unfold, General Spellmon, my boss, made it pretty clear is don't take your eye off civil works. We will take some risk elsewhere, but this is too important. So sorry for missing the Board dinner last night. I had to take care of some other alligators, but you were in Mr. Belk and Mr. Smith's capable hands.

So just a couple of things. First, thanks for being here from the whole federal team. That's what it takes. It's great to see that in action down where you got low water based on the Mississippi River drought at the beginning or the end of the Mississippi River, however you look at it. The federal family down there is working together magnificently.

The federal family is working together superbly in the middle Mississippi where we also have low water for the second year in a row. I know Pat is out here in the MVD team and they've been dredging like crazy. At the last Users Board meeting, we talked. We saw this low water on the Mississippi materializing. We saw the indicators, indicators and warnings earlier than we did last year. And so, they didn't miss a beat and they started to dredge and over dredge, particularly the harbors that are key to life. And I know are the key to life to your industry.

Our goal here with this Board is to make sure that we are partnering with you to show that this country has a reliable inland navigation system, that we are stewards of that, we are investing your money wisely. And this is an accountability forum where we are going to say how we are doing, where are we at.

I absolutely was not looking forward to coming to this based on the finish date for the consolidated closure on the inland -- or on the Illinois Waterway. Rock Island District got it over the line. Really proud of that. We challenged them when we had some funding shortfalls to get creative and they rose to the occasion. And that team down there deserves -- they surely have my thanks because they never took their eye off the ball. That's our commitment to you, that we are going to partner with you to make sure that the system that served this country so well is something you can count on. And we are happy and delighted to have you here to give us feedback, grade our paper on how we are doing, how we can get better.

Mark.

MR. POINTON: Thank you. Spencer, opening remarks from the chairman? I think you might have to turn it on.

MR. SPENCER MURPHY: Is it good?

MR. POINTON: Yeah.

MR. MURPHY: Great. Good morning and welcome to the 101st Meeting of the Inland Waterways Users Board. I want to thank General Graham and Stacey Brown from the Assistant Secretary's office for being here today. I'm disappointed that neither Mr. Connor nor Mr. Pinkham could be here, but I look forward to a productive discussion.

Before getting into any other business, I do want to recognize and express our gratitude to the Corps for their communications and diligence during this second annual historic low water event. The Corps' dedicated focus on identifying and addressing low-water hotspots is keeping vital commodities efficiently moving during a critical time.

As we see more frequent episodes of extreme water conditions, I would encourage the Corps to think of proactive steps that we can put in place to best manage the entire system as a system. I mentioned to

Mr. Smith last night, the possibility of using an incident command system to be stood up in the face of either high or low water going forward. As we've seen the Corps and other federal partners come together on an emergency basis to manage impounded water across different jurisdictions, but ultimately this is one system that should be managed accordingly.

There are always competing priorities and difficult decisions to be made. We should plan for years like 2022 and 2023 to be the new normal. Whether is working with TVA to release water from dams to aid navigation or adjusting the Old River control structure to fight saltwater intrusion in New Orleans, there are many opportunities for the Corps to lead the way on a holistic water management system.

Turning to some of our ongoing projects, I have to express the Board's disappointment that the Corps chose not to include a reallocation of infrastructure BIL (Bipartisan Infrastructure Law) funding from the MKARNS (McClellan-Kerr Arkansas River Navigation System) deepening project to the Three Rivers project in the most recent spend plan that was released in August. In April this Board unanimously passed a motion in support of this reallocation which would have funded the Three Rivers project to completion.

With significant overruns impacting the Corps ability to complete any of the IJA (Infrastructure Investment and Jobs Act) funded projects, this was an easy opportunity to get one of those projects funded to completion and off the books. Moreover, the Three Rivers project is critical for the success of any deepening on that system. We once again urge the Corps to reallocate this money so that we can move this project to completion on a quicker timeline.

Additionally, a few other items we would like the Corps to cover in today's discussion, first I would like to reiterate the importance of receiving updated and accurate capability numbers as this remains a top priority for the Board. We understand this information may be procurement sensitive for Lock and Dam 25 (Mississippi River) and for Montgomery (Ohio River) but asked the Corps to please provide us with Fiscal Year 2025 and other year capabilities upon award of those contracts.

With both of those projects in or near the procurement process another important consideration we have discussed in the past is the use of continuing contract authority, an important tool in keeping these projects on schedule and within budget. We believe it is important that the Corps proactively and aggressively pursue approval of this authority and ask the Corps to please provide an update on using this method for upcoming projects and how the Board can support this effort.

I'll also note that as we approach the end of this calendar year, we are nearing the deadline when every member of this Board's term will lapse. We request an update on those appointments so that we can continue our mission without disruption. I believe that our collective mission was harmed by the dissolution of this Board in 2021 and the slow startup following the zero-based review. We have too many projects and too many trust fund dollars at stake to allow another disruption to the Board.

And then finally, for the next Users Board meeting we asked the Corps to please provide an update on the status of inland waterway studies and most importantly the path forward for updating the Capital Investment Strategy (CIS). Again, thank you and I look forward to a productive meeting.

So, at this time I would ask if any of the other Board members would like to make a comment. Otherwise, let's get started.

MR. POINTON: No other members? No? (Other members indicating no.) Alright, great.

We are going to move on to the remarks from our Federal Observers. So, we are going to start with Alexis from the U.S. Department of Agriculture.

MS. ALEXIS HEYMAN: Great, thanks Mark. Microphone or –

MR. POINTON: Yeah, it might be off.

MS. HEYMAN: Is it good? Yeah. Okay, thanks. Thank you, Chairman Murphy, General Graham, Board members, and other attendees at today's meeting. For the record, my name is Alexis Heyman. It is an honor to be here on behalf of the U.S. Department of Agriculture (USDA).

The USDA continues to acknowledge the importance of barge transportation to facilitate export and domestic shipments of agricultural and related products and the need for continued construction and rehabilitation projects to maintain and enhance river transportation infrastructure. Year-to-date, about 18.4 million tons of grain, that is corn, soybeans, and wheat, have moved southbound on barges to the Gulf for export. That number is 26 percent lower than last year and 29 percent lower than the previous five-year average.

Most of the decreases can be attributed to lower export of grain, especially corn. Through August, the most recent data, U.S. grain exports including all ports are down 23 percent from last year and 18 percent from the previous five-year average. Corn exports are down 34 percent from last year and 25 percent from the five-year average. Export sales to the largest two buyers, China and Canada are each down 67 percent.

Brazil had a record harvest crop, which coupled with a strong U.S. dollar made Brazilian corn cheaper than U.S. corn. Year to date as of August 31, exports of soybeans are down 10 percent from the last year and 6 percent from the five-year average. Since the beginning of June, weekly grain volumes have been significantly below the previous five-year average and last year.

While the volumes have been lower, the trends have been similar to both last year and the five-year average. With lower demand and low water issues, shippers may be waiting until the water levels rebound before shipping grain. Despite extreme water levels over the last year, the navigation system continues to provide agricultural producers an efficient and environmentally friendly option to move their products to market.

Looking ahead, according to the Department's latest world agricultural supply and demand estimates report, though not location specific, USDA projects the United States will export 51.4 million metric tons of corn, up 22 percent from last year and 47.8 million metric tons of soybeans, down 12 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 also completing three cooperative research projects with universities covering the inland waterways. A collaboration has been finalized with the Ohio State University that develops an operational framework to evaluate the economic consequences of an Inland Waterways System failure

of Mississippi Lock 25 and the Illinois LaGrange Lock. The study also looks at resilience options that can help agricultural transportation systems and related businesses in the supply chain to recover more rapidly from disruptions. This is now going through an internal final review and is expected to be published soon.

Next, we have completed a study with Washington State University that looks at the economic benefits of navigation on the Columbia-Snake River navigation system. This is also under final review, and we hope to release it to the public soon.

Finally, USDA is working with the University of Arkansas to develop routing data with the Army Corps of Engineers Lock Performance Monitoring System (LPMS) and waterborne commerce statistics. From that data will be able to put together mass visualization tools on U.S. grain barge movements along U.S. inland waterways. We expect the work on these projects to be completed sometime in the near future.

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

Thank you again for the opportunity to participate in today's meeting.

MG GRAHAM: The Ohio State University, alright.

MS. HEYMAN: Yes.

MR. POINTON: Thanks Alexis. I'm an equal opportunity. So, we will move on to the Maritime Administration, Ms. Ann Phillips, thank you. I hope I'm -- I hope I have the right title for you, ma'am.

MS. ANN PHILLIPS (USN, Rear Admiral, Retired): Maritime Administrator is great. Thank you, very much. Good morning, everyone. General Graham, sir, thank you. It's good to see you wearing all of your hats again this morning. Vice Chairman -- Chairman Murphy, sir, nice to meet you and to talk about your work this morning. Vice Chairman Judd, thank you as well, members of the Board, and to Mr. Mark Pointon who has been very gracious in including us today.

On behalf of Secretary Buttigieg I am pleased to join you all this morning. For the record, I am Ann Phillips. I'm the Maritime Administrator and I'm again, honored to join you today. The Associate Administrator reports on waterways. I'm not sure many of you know, Mr. Bill Paape was unable to join. He sends his regards and respect. He has been encouraging me to try and attend one of these meetings. It's difficult to get to Walla Walla, Washington even though I would like to go there.

Just looking at the agenda and listening to everyone speak for the last 30 minutes, I know I'm going to miss out on not being able to participate for the rest of the day. So, we will look for opportunities to join again in the future if we are so -- allowed to do so. Thank you, so much.

So, in the Maritime Administration we work very carefully and closely with General Graham and others from the Army Corps on a multitude of efforts related to the Inland Waterways System. I am a blue water sailor. I've been working hard in my last 18 months to learn about our inland waterways and

rivers and of course the team and the Associate Administrator for ports and waterways have been helping me do that.

We also work with others of our Federal partners who are here today. Thank you to Ms. Rachael Dempsey, NOAA Assistant Administrator in a new position. You will hear from her shortly, I think. And Alexis Heyman as well for being here from the Department of Agriculture.

We believe our Inland Waterways System is absolutely essential to the efficient transport of goods, much as echoed -- in echoing the comments of USDA earlier this morning. These waters provide us flexible capability and capacity and are essential not only to move grain and other products during normal conditions, but also to during supply chain disruptions, national emergencies, and the challenges of our weather systems over time, which we are doing -- which we are dealing with and discussing today.

To the members of the Board, again, our interests are similar. How do we maximize the efficiency of the Inland Waterways System? And in that context, I will briefly touch on a few ways that we are focused on that at MARAD. First engagement, what's needed by working around the country with ports and their partners to help understand what their needs are.

Second, how can the funding we have in our programs or in the DOT (Department of Transportation) assist in achieving those needs, reaching those needs, supporting those needs, and then what other resources are available in the event that something the Maritime Administration has is not adequate, does not fit, or is not a good option or opportunity for a specific port or region.

Specifically, our role in MARAD is to foster, promote, and develop the Maritime industry of the United States and to advocate for that industry to ensure that our nation's economic and national security needs are met. And within that, work with the DOT and other federal agencies and industry to expand the capacity of the maritime transportation system. Again, a key goal is to ensure that stakeholders' needs are reflected. We have in that context 10 gateway directors around the country. We are considering adding an 11th, well we have to have Congress's permission to that to focus on Alaska exclusively. But those gateway directors whom I hope you know are charged with working with all of you and with the ports in their specific regions to understand the unique circumstances of -- unique to their area or their region of the country.

It's essential from our perspective to ensure that the full supply chain including inland ports and multimodal railroad capacity, suppliers and consumers understand. We understand what their challenges are, and we help to meet those needs to ensure a vital transportation system, particularly taking advantage of our inland waterways.

We -- again, keying on our gateway directors are very focused on building relationships so that we have that avenue and that venue to meet and communicate with you and to that end hold workshops from the country to bring people together so that we can hear from you specifically on the specific needs of your region.

I mentioned funding earlier. Certainly, within the Department, ports are eligible for funding under a number of major programs, MEGA, RAISE, and INFRA, but within MARAD and the Maritime

Administration we have port infrastructure development fund money and U.S. Marine Highway grants that specifically focus on ports and waterways.

Starting with the Marine Highway program, many of you are probably aware that under the 2023 NDAA that program was opened up some. First of all the name was changed. The grant structure was that we were authorized to streamline the grant structure so that we needed a designated Marine Highway and then you can apply for a grant as opposed to having a middle step to designate a project for which you could then apply for a grant. Under the bipartisan infrastructure law of last year, the program received a \$25 million infusion of funds, but we are now back to our standard \$10 to \$12 million a year.

Also last year on the 2023 NDAA the restriction or the focus of that program on moving containers by a barge or container movement was eliminated. So, we can now focus on any kind of cargo that is moving. This is a tremendous opportunity for this program to make significant change, however, it is very limited in its funding. And so that is a challenge for us.

We just announced this year's awards, eight separate grants in eight separate states, but there is much more that can be done there. And we work to advocate for the value of this program broadly and are grateful for the support that we have from others who are doing the same. There is quite a bit of opportunity here. We can do much more with this. We must do much more with this.

Moving to the port infrastructure development program under BIL. That program received an additional \$450 million infusion starting in 2022 for the next five years. We are on year three. We are about to announce the third round of that additional infusion of funds, plus an appropriation which has averaged around \$230 million a year. This year there is only -- there is \$212 million in appropriation funds give or take a few on offer.

So, we are working through that grant process now for port infrastructure development. The program at large gives us a tremendous opportunity to deal with our nation's freight needs now and help ensure our construction can also meet needs for the future. So, we are excited about that program. We think it has done a great deal for our marine transportation system. There's much more to be done and next year, two more years of this additional \$450 million a year in that program.

I talked about our gateway directors already, so I will skip past that. But when we moved to flexibility to take on other kinds of grant opportunities that exist within the DOT, I would draw your attention to the DOT Navigator, which is on our DOT website as a resource to help communities understand and look at their options to apply for grants and particularly to the discretionary grants. Discretionary Grants Staff Board consider it as a one-stop shopping area where they can prepare grant options and opportunities is something that we have is not a good fit for them perhaps there is another grant within DOT that can assist them.

And we are happy to work with you with our gateway directors to think through those things and think about how smaller communities in particular might use some of the options and opportunities under BIL. So please investigate the DOT Navigator website. It is there to help communities, localities, stakeholders broadly, ports and waterways understand what they can do to take advantage of BIL funding.

So, I talked about our gateway directors already. They are your first step and your first line of defense on a local scale. Please reach out to them if you have not met them. I travel with them often around the country. I have yet to encounter a port director who doesn't know who they are when we get there. But it's still possible. So, they are a resource for you. Please use them.

So again, thank you for the opportunity to provide remarks today and to listen really. I learned more about the Inland Waterways System and how we can coordinate with our federal partners and local and state representatives and other stakeholders to better support our inland waterways system. Thank you.

MR. POINTON: Thank you, ma'am. I would also like to point out that Tretha Chromey is here. She is one of -- I don't know if I can call you a regular yet, but I think you've been to the last three or four.

MS. PHILLIPS: Tretha will be our representative here for the rest of the day. Thank you, Tretha for taking that on. As I mentioned earlier, she's sitting right next to me. So, thank you.

MR. POINTON: So, save all your comments for Tretha.

Moving on to NOAA we've got Ms. Rachael Dempsey here. So, I characterize her as a new, new person because it's a new position and she is a new person filling it. So, we do have Heather Gilbert here. She is our regular representative from NOAA, but Rachael, can we have some comments, please?

MS. RACHAEL DEMPSEY: Thank you, good morning. Ms. Brown, it's nice to meet you. General Graham, Chairman Murphy, nice to meet you both as well. Members of the Board and fellow federal observers and staff, thank you very much. It's great to be here with you all today.

For the record, my name is Rachael Dempsey. I am the new Deputy Assistant Administrator for Navigation Observations and Positioning within NOAA's National Ocean Service. All in one breath. I'm getting good at that. I'm here as a federal observer to the Board representing the National Oceanic and Atmospheric Administration. My position was created to emphasize the importance of the foundational navigation observation positioning data and services critical to the support of our nation's infrastructure and economy.

In my role I oversee four NOS programs. So, the Integrated Ocean Observation systems, National Geodetic Survey, Center for Oceanic -- excuse me -- Center for Operational Oceanographic Products and Services. I'm sorry. I'm starting to get my acronym mouthful going here. As well as our NOS Information Management Office. But also, the Office of Coast Survey falls under my purview which you all know Admiral Ben Evans, who leads that office. And he's also a member of the Mississippi River Commission (MRC).

Admiral Evans takes his role on the MRC very seriously. The MRC brings together NOAA's broad spectrum of support for inland waterways including weather and hydrology observations and predictions, climate research, and forecasts. A big part of this is NOAA's navigation services including geodesy datums, water levels, air gaps, currents and bathymetry, and charts. Together these enable these safe and efficient connection of marine transportation between inland waterways and the oceans and Great Lakes.

Admiral Evans role as an MRC member is one example of how we do this ensuring all of NOAA's science observations, products, and services are available to the managers and users of the Mississippi

and providing an independent science and marine transportation expertise to the commission. This is particularly important at times of exceptionally high or low water, which has already been mentioned a couple times this morning. Sean Duffy, who some of you know spoke about the record lows of the Mississippi River during our semiannual hydrographic services review panel meeting that which was held at the end of September.

So, I would like to share a few updates of the work that we've been doing in NOS. Regarding the sunset of NOAA's paper charts we have listed 71 more charts. It's the last addition since our last meeting. NOAA's Center for Operational Oceanographic Products and Services conducted an assessment of its physical oceanographic real-time system or ports. As you may have -- you may recall it. This program, to better understand datum gauge needs and determining funding required to expand, enhance, or implement ports at all U.S. seaports.

I very much encourage you, if you have time, to come talk to me about where you stand on this day. Right now, that research has really kind of separated two sides. We've got those -- about 50 percent that support federal funding and 50 percent that continue to support private funding.

As part of the separate -- we also investigate the stakeholders who participate in a virtual workshop to provide crucial insight into the data needed to ensure safe and efficient marine commerce. Several targeted regional workshops have already taken place this summer and a few still remain.

The Office of Coast Survey has awarded four hydrographic survey contracts over the last two months including a \$4.5 million task order in Mobile Bay, a \$3.8 million contract in Nantucket Sound, a \$5.3 million task order in southwestern Lake Michigan, and a \$3.7 million contract in the approaches to Calcasieu.

Back in 2007, NGS officially began to planning to redefine the vertical datum of the United States using a gravimetric geoid model. This launched the gravity for the redefinition of the American vertical datum project also known as GRAV-D. This project is a bold initiative to canvas the entire United States with an accurate, consistent, airborne gravity dataset capable of supporting a centimeter accurate geoid model.

In September 2023, the GRAV-D mission flew the last of its planned 4234 flight lines. There are a few flight lines that will need to be re-flown to guarantee an accurate, consistent dataset, but we are well on our way to modernization of the NSRS. Some of the biggest impacts of the modernized NSRS will be a more accurate flood mapping, consistent dataset -- or excuse me -- flood mapping provided a better foundation to understand where water will go when it overlaps the banks in inland waterways.

We have offered to assist the U.S. Army Corps in creating transformation between the myriad river datums and the NSRS. This would entail collecting GPS observations on the survey marks that hold those river datums.

Thank you very much General, Chairman Murphy, and the Board for this opportunity to provide these remarks to you today. I regret that I'm unable to join you today. I'm going to leave as well. I have other things that I need to tackle, but Heather will still be here. She will take good care of you. And we welcome the opportunity to answer any questions by correspondence. Thank you.

MR. POINTON: Thank you, very much. I appreciate both Ann and Rachael being here. I'm glad there was an opportunity by us having a meeting here that you all can make it. So, any time that you want to come, if you want to go to Walla Walla, then we will let you know.

I'll work with Rob Rich who is our Board member from that region. And so, we will set one up next time so you can come. Just kidding.

Our last federal observer, we have Ms. Stacey Brown here from the Office of the Assistant Secretary of the Army for Civil Works. She is here for Mr. Michael Connor. I believe Mr. Pinkham came to the last meeting. So, you are familiar with those two gentlemen. So, Stacey?

MS. STACEY BROWN: Good morning. It's nice to see everybody. As was mentioned, I am Stacey Brown, the Deputy Assistant Secretary of the Army for Management and Budget in the Office of the Assistant Secretary of the Army for Civil Works. I'm pleased to represent Secretary Connor this morning. Both he and Mr. Pinkham regretfully were not able to attend.

That should not be in any way construed as them not seeing the importance of the Inland Waterways System. They are very supportive of it. They understand the role it plays in advancing Administration priorities with respect to supply chains and are really committed to doing what they can to advance and complete ongoing projects within the system.

As was mentioned, Mr. Pinkham was at the last meeting. Secretary Connor was not able to attend, but as a demonstration I think of his commitment to the system, last week he made a trip down to Chick Lock and Kentucky Lock to see the progress of those projects. And I had the good fortune to accompany him on that visit. I did make it to Walla Walla, which was also fantastic.

While I'm sure you know it would be better if one of them could be here, I'm really happy to be here and be with the Board and will be listening intently so I can take back your concerns and pass those along to Secretary Connor. He is very committed to trying to use the remaining resources that we have to try to complete as many ongoing projects as possible as well as advancing other ones. So, I look forward to the updates today and appreciate the opportunity to see everybody again. So, thank you.

MR. POINTON: Thank you, Stacey. We're at the point in the agenda I sent out the minutes of the last Board meeting. It was a little delinquent getting that out. So those did go out early this week out to the Board members and our key participants here. So, any discussion on the minutes from the last meeting?

Seeing none, do we have a motion to approve the minutes from Paducah?

MR. MARTIN HETTEL: So moved.

MR. POINTON: Marty. Do we have a second?

MR. LANCE RASE: Second.

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

ALL MEMBERS: Aye.

MR. POINTON: Any nays? (None.) Great, thank you. Minutes are approved unanimously.

Next up, it's me to talk about the Inland Waterways Trust Fund. I think I'm going to move over to the podium to do that so I could actually see my slides and not get a kink in my neck. So, give me a second.

MG GRAHAM: Your health is important to us, Mark.

I apologize that we're not going to be able to –

(Crosstalk)

MR. POINTON: Alright. So actually, this was the presentation that was slightly causing the delinquency in sending out the last set of materials because we were waiting for the Treasury to post their final trust fund statement, which actually as of 7:00 this morning still hadn't been posted yet. So, I kind of backdoored it to get some preliminary numbers which you will see in this presentation here today. Next slide please, Allie.

So typical presentation. There is your beginning balance. That is the reported preliminary fuel tax revenue and then the interest. And there is your remaining balance plus the revenue, or balance plus the revenues, which shows was available. I'm cautiously optimistic that the \$94.5 million currently being reported preliminary is going to be low and that they will be higher than that.

Looking at the profiles of prior years, there is typically considerably more than that reported in September. So, we are awaiting the IRS (Internal Revenue Service) to provide their quarterly tax revenues to Treasury and that's when Treasury will post this final report. They said it would be yesterday or today or maybe tomorrow. So, I will update this and send that out to you all as soon as I have the final numbers.

So, following down, the reported transfers, today we are at \$41.4 million. I think we have a slide later on that shows which projects received what from that \$41.4 million. And looking at what we had as existing budgets authority that has been unobligated in our financial system, there is \$85.3 million approximately. I could give you down to the dollar if you want, but that's not really relevant.

Going on down, there is your existing balance of \$264.8 million. And if you net out that \$85.3 million you've got approximately \$179.5 million available balance for new commitments, if you will. Any questions on that? Like I said, I will update this slide once we get -- the entire presentation you will get after we get the actuals.

Marty is grabbing the mic. Not yet?

MR. HETTEL: Let's go to the next slide.

MR. POINTON: Okay, great. Well, next slide then. So here we go. Our layout from October as the beginning of the fiscal year for September. The fuchsia color -- is that the right term. My wife accuses me of being colorblind, so let me know if it's wrong. As you can see, it's considerably lower than the

previous four years. I went back in the prior years' data, and I think it's been 10 years since the revenues reported for the trust fund were less than \$100 million. So that's why, again, I'm somewhat confident that we will see a little higher number when we get to the finals.

Marty?

MR. HETTEL: Yeah, Mark, just on this slide, when I look back at the four -- or the five years presented here, three of the four were about \$120 million.

MR. POINTON: Yeah.

MR. HETTEL: So how do you come up with the \$105 million?

MR. POINTON: The \$105 million is what has been officially reported by the Department of Treasury.

That includes the revenues and the interest that's earned. And I didn't point out we haven't earned that much interest in the trust funds since the balance was over \$400 million, about 20 years ago.

(Crosstalk)

MR. HETTEL: So, do you expect the September 30th report on the deposits to be plussed up some \$20 million?

MR. POINTON: I don't know about \$20 million, but I'm optimistic that is going to be more than what's currently being reported by this preliminary.

MR. HETTEL: Well, I can tell you -- and I'm sure other folks will confirm in our industry, there has certainly not been a lot of slowdown, especially with the low water we are facing losing more towboats and the same amount of barges. So, I expect that September to be up there close to that \$115, \$125 million.

MR. POINTON: Yeah, thanks Marty. And I know you stated that, as have several of your colleagues over the last two or three meetings that, yeah, you feel it should be higher than that. So, I appreciate that. Any other questions?

Again, just a different way to depict that there is your \$105.8 million. And again, you can see this one shows better the last three months. They are all less than what they were last year. I think they are actually -- except for I think 2020, I think they are all lower than all those monthly reports. So again, hopefully we have a good news story coming up in a day or two or three whenever I get those numbers and we can send them out to you.

No change here. We've got the Continuing Resolution (CR) going on right now. We don't have anything official for any project allocations. We don't have a work plan. We don't have an appropriations act yet. So, we will update this for 2024 once we actually have some definitive numbers.

Next, there's your transfers. There's your \$41.4 million that transferred out. I can speak for Elizabeth (Burks), or she can address it for the Kentucky Lock, why there is a negative \$988,000 there. She can

correct me. Please correct me if I'm misstating this. They backed out an Inland Waterways Trust Fund transaction. It was basically an adjustment between the federal share and the IWTF share.

And as you can see, it's kind of spread around. I guess the big one on the block is the Mon River. That's Steve Fritz here. They got not quite \$20 million in Fiscal Year (FY) 2023 -- of the FY 2023 transfers. This data were pulled out of our financial system.

And here is your unobligated. Same thing, it was pulling out of our -- the Civil Works financial system. These are the projects that are currently sitting on unobligated amounts as of 30 September. And there is your \$85.3 down at the bottom.

Again, a couple of them have some big numbers. And I'm not saying that that's wrong. They are all works in progress for a lack of a better way to describe it. And we will get those project presentations later on today.

Hopefully there aren't any more. Any other questions related to that? No, alright.

I think the next few slides are just the listing of the projects that we're going to go through, the specific presentations. And we have all those representatives or project managers. I don't think they are all necessarily the project managers. They are all here to give us a detailed presentation on those.

Next up is Ms. Tiffany Burroughs. She's the Navigation Chief of the Corps of Engineers and she's going to be talking about the navigation funding for FY 2024. I know that's probably kind of a disingenuous statement there because we are under a Continuing Resolution, and we don't really have a definitive number. So, Tiffany, I warned them up.

MS. BURROUGHS: Thanks, Mark. Good morning, Mr. Chairman, members of the Board, General Graham, Ms. Brown, and all participants. My name is Tiffany Burroughs, and I will be giving you the fiscal overview for Navigation this morning.

For those of you who attended the last meeting, this information will probably sound familiar because as Mark said, we don't have an appropriation bill. So pretty much kind of reviewing what we went over last time.

Alright. So, the core budget build and execution is a three-year cycle with the year-round effort as you can see from this slide. With Fiscal Year 2023 just concluding we are in the midst of closing out any contract actions and closing out any last fiscal year actions. We are in the midst of the 2024 program execution and like we've stated a few times, once we get that 2024 appropriations bill, we will immediately begin on the work -- development of the work plan. We will also be defending at the same time the Fiscal Year 2025 program and developing the Fiscal Year 2026. So obviously throughout this cycle there will be several opportunities for stakeholder engagement. Also, as you will note on this slide it doesn't state, but it does take into account any unpredictable supplemental bills that might be added anytime throughout this process.

Most of you have seen this before. It shows the top line appropriations for Civil Works. It's been updated with information for the 2023 appropriation and the 2024 President's Budget. As you can see,

since 2013, the appropriation, the blue line, has routinely been above budget as we continue to see record-setting appropriations.

In Fiscal Years 2021 and 2022 we saw our budget increase about \$1 billion each year. There was a slight dip in Fiscal Year 2023 which may have been a result of the Bipartisan Infrastructure Law. But Fiscal Year 2023 budget request was \$6.6 billion with an appropriation of \$8.3 billion. And this was about a 26 percent increase. The Fiscal Year 2024 President's Budget was a little over \$7.4 billion. So again, steady increases in appropriations as well as President's Budget.

This slide shows the Fiscal Year 2023 President's Budget on the left and the Fiscal Year 2023 appropriations on the right. Both are broken out by Treasury account. You can see that overall, the appropriation was \$1.7 billion above the President's Budget.

The big winners here as far as accounts, where the O&M (Operation and Maintenance) account, which had a \$780 million increase above the President's Budget. And the Construction account receives about \$550 million above the President's Budget. And then for our Mississippi River and Tributaries (MR&T) account, we received about \$140 million above the President's Budget.

This next slide shows the FY 24 President's Budget Civil Works program. It's broken out by account there on the left. The Investigations program total about \$130 million. And this would include funding for traditional studies, Preconstruction Engineering and Design (PED) work, and study-like activities as well as Remaining Items.

The Construction program was about \$2.1 billion. The O&M program was about \$4.3 billion. And this funded 648 projects, four national programs, and about 36 Remaining Items. And then the chart on the right shows the funding broken out by business line or program. As you can see, Navigation received about 46 percent of the Civil Works budget at about \$3.4 billion. And this was right in line with historic amounts. Typically, navigation is anywhere from 40 to 50 percent of the civil works budget.

This slide shows the breakout of coastal and inland navigation funding trends. You can point out there 2022 was a historic year when we receive the first slug of the Bipartisan Infrastructure Law funding. For inland navigation in FY 23 we received \$8.2 million for Investigations, \$109 million for Construction, \$1.03 billion for O&M for a total of \$1.15 billion.

In addition to these amounts, we received about \$40 million for supplemental and about \$300 million for the Bipartisan Infrastructure Law funding. So, in 2023, total appropriation was about \$1.6 billion. Since Fiscal Year 2018 we've seen over \$11 billion invested in our Inland Waterways System.

And then for FY 24, for our inland funding we received about \$1.07 billion. Obviously 2024 is only including the President's Budget and what we were seeing from BIL so far. And this included \$6 million for Investigations, \$5 million for Construction, and about \$1.07 billion for O&M.

So, to breakdown our funding even further, this is funding trends by account. So, here's the Investigations account which includes regular appropriations, the Bipartisan Infrastructure Law, and the Fiscal Year 2024 President's Budget. Just to acclimate you to this slide a little bit, the orange bars are inland navigation, and the blue bars are coastal, and the green bars represent the President's Budget.

For Fiscal Year 2023, we got about \$8 million for Investigations and -- excuse me -- \$8 million for inland Investigations and about \$10 million for coastal Investigations. The Fiscal Year 2024 President's Budget included \$6 million for inland navigation and \$13 million for coastal navigation.

The trend for inland navigation has been on the decline slightly. This is partially caused by several projects that were in the Preconstruction Engineering, and Design phase, or PED, and Investigations that have recently received new starts and the PED phase of continuing construction. So typically, PED will start in Investigations and at some point, will transition over to the Construction account. So, we've had that happen in a few projects. It's important to keep an eye out for projects in the Investigations account as they are -- once they are authorized, they will be the same projects that will be competing for Construction funding.

Next up is the Construction account. Same color coding as previous slide, inland orange, and coastal blue, and President's Budget green. For Fiscal Year 2023 we received about \$109 million for inland Construction and about \$585 for coastal. For Fiscal Year 2024, President's Budget we received \$5 million for inland and about \$600 for coastal to include Construction account as well as the Mississippi River and Tributaries Construction activity. And then please note as you can see there, there was a huge influx in Fiscal Year 2022 by the Bipartisan Infrastructure Law.

Next up is our Operation and Maintenance account. As mentioned in the earlier slide, O&M has been one of the big winners. In Fiscal Year 2023 we received about \$100 -- excuse me -- about \$1.04 billion in O&M for inland and about \$2.2 billion for coastal. On the inland side if you remove BIL bars to focus on normal appropriations only, there has been a steady increase. From 2022 to 23 it was about 6.2 percent increase in inland O&M. And on the coastal side, the same pattern holds true.

I also wanted to note on the slide for clarity, the last four bars are all FY 24. The first two being for Bipartisan Infrastructure Law and the last two being for the President's Budget. So, for the FY 24 President's Budget for inland it was about \$1.07 billion which was a three percent increase from FY 23 to FY 24. So again, we are seeing a steady increase in inland O&M funding.

MG GRAHAM: Let me just chime in on there.

MS. BURROUGHS: Yeah.

MG GRAHAM: So, we should see a commensurate improvement in unscheduled outages. And that's -- the numbers that Tom Smith has provided me somewhat bear that out. So just wanted to -- the steady increase in O&M funding will result in a more reliable system for you. When we do have an unscheduled outage, get everybody's attention from the engineers down to the operators.

So, we just had Boggs Lock and Dam on the Red. We had a gate anchorage break on us. And we get focus from General Spellmon's level all the way down through General Peeples and the District Commander there at Vicksburg finding out what happened here, can we apply asset management better and fix it before breaks. That's our commitment.

Tom, you want to add anything to that?

MR. THOMAS SMITH: Yes. So, thanks General Graham. Tom Smith here. So, I guess the opportunity to comment is to reassure the Board that the type of communication that takes place. So obviously we get almost immediate notification through different systems including just email with leader contact. But then the question we ask at Headquarters is, what did we -- as part of the inland, last night Spencer asked what are we learning and do together in the future talking about low water broadly. But in this particular case to talk about what we do with the information is, in addition to people like Pat Chambers from the Division and the District just reacting and doing things on the spot to minimize the impact right away. We take a look at our asset management, our condition assessments to say what did we know about this particular anchorage before it failed. And so, we look and it turns out in this particular case it was a condition assessment B which is good, but, not new.

But then as we talked to the engineers and the asset managers, it is the case with some of those anchorages that failure is tough to predict where they are located, what we know about the condition. So, we have a valid condition assessment, but we approached it similar to the research and development arm who's thinking is we need to have better sensors and other types of instrumentation that might be able to project better, to make better efforts in the future. So while you are seeing a reaction and reacting in your way of loading and moving cargo in different ways, and the District and Division just asking people for additional money to do something on the spot, we are taking steps to say how did we not see it, and in some cases we actually see a problem and we don't get the money there fast enough, that's a different issue.

In this case, we actually know that these type of anchorages have challenges that are tough to predict so the effort is to do a better job of predicting. So, I just -- I unpack it not because anybody needs to be expert here on anchorages, I'm not, but systemically we are kind of approaching everything at multiple levels when a problem occurs.

MG GRAHAM: And why I wanted to bring that up on this is in some instances we only had enough money to fix things as they broke. We've all lived through a time in this industry of those days. We are not there, thankful for your efforts on making sure that the bars that Tiffany presented up there stay where we need them to be. I just want to say we appreciate that investment and our commitment to you is to learn from that.

And so, if we can proactively go ahead during some routine maintenance and let's say well, the gusset plate on those anchorages so that that they won't fail in the future. That's where we want to get to. And we can do that if we keep getting those bars staying the same, keeping up with inflation, or ideally, increasing.

MS. BURROUGH: Yes, and I don't have the data in front of me, but we have been seeing for unscheduled outages those numbers have been decreasing over the last three or four years.

Alright. The next few slides I won't read these projects all, but they are just a highlight of some of the projects that got funded in the most recent spending plan for O&M Bipartisan Infrastructure Law. So, this one is the coastal O&M. If you go to the next slide, this one is the inland. So also benefiting from getting a little bit of O&M from the Bipartisan Infrastructure Law. That's always helpful as well.

So, you can go to the next one, Allie.

So, this slide is our FY 24 President's Budget highlighting what we received for President's Budget what we received for inland Investigations. So, as you can see for 2024 right now, we received funding for Illinois Waterway dredge material management plan (DMMPs). Sometimes you will see those kind of toggle back and forth between O&M and Investigations depending on if it's in the President's Budget or the appropriations bill. And then, we had funding for two disposition studies on the St. Anthony's Falls.

So, this is just a slide of what projects got funded in the 2024 President's Budget. Obviously again, once we get the appropriations bill, we will see how things shake out. This is just kind of what was in the President's Budget.

Alright, so this is for O&M highlights. First of note is the major maintenance category which covers the work that that is still in the O&M account, but we consider to be major repairs or improvements that are over a certain dollar threshold. Most of our major maintenance work was the Mississippi and the Ohio rivers on the inland side. We received about \$127 million to cover this work.

And then we received about \$682 million for Operation and Maintenance to O&M funding. And that's usually the bulk of the funding that we receive in inland O&M. And then, we received a small amount for dredging, about \$162 million.

So, this slide just gives you a status of where we are within the process of our 2024 work plan and our 2025 budget. Obviously, both the Senate and the House markups are out. And were in a Continuing Resolution through November 17th until we get the full appropriations bill. Obviously, that's to be determined when that happens. For the FY 25 budget that's currently in development so you can see where we are in the schedule now. The next major step would be OMB (Office of Management and Budget) passback which is tentatively to happen in late November, and release of the press book which is tentative for early February.

Alright. And then, I'll just end on putting in a plug for our Inside The Castle podcast for those who want to learn more about not just the inland waterways but just the Corps in general and light of our mission set. This is a great way to learn more about what we do.

And that is all I have particular to funding. I did also want to note because there was a question about the Capital Investment Strategy, while I had the mic, that we do plan to validate, update the core components of our analysis framework from the 2020 Capital Investment Strategy so were planning to convene a kickoff meeting here soon. Probably in the early, mid-November timeframe to get working on that 2025 capital investment strategy.

And Marty, it looks like you have a question.

MR. HETTEL: Yes, Tiffany. Thank you. Marty Hettel here. We came really close to a Government shutdown a few weeks ago and now we need funding to come up November 17. If we ever have a Government shutdown how would that affect inland navigation locks and/or to the General's comments, the O&M on the locks?

MG GRAHAM: I'll take that, Tiffany. You shouldn't see any effect. We have the ability, each District Commander has in the guidance that the Administration puts out to determine who is, I'm going to use a bureaucrat term here. Who is excepted.

MR. POINTON: Exempted or excepted?

MG GRAHAM: Hold on. Excepted. If I have some additional Civil Works money from previous years we will make them exempt, which means I still pay them with prior year funds. So that's what we will try to do. You shouldn't see any change. The lock operators will still be out there. The engineers that are back in the District supporting them will still be there. We are putting that as life safety, national security, because the economy has to keep moving. The rivers have to keep flowing.

So, you shouldn't see any degradation.

MR. HETTEL: Okay. On the O&M side, as an example, J.T. Myers is currently -- main chamber is currently down for some major maintenance. In a Government shutdown that would continue?

MG GRAHAM: Yes.

MR. HETTEL: Okay. Thank you. And one more question and that pertains to the low water and were facing right now, Tiffany, how would a Government shutdown affect the dredging needs that we have? Would the dredges continue to operate?

The second question is what about the contract dredges? Would they continue to operate?

MG GRAHAM: Government dredges, yes. Contract dredges with the money we already have, yes. New contracts, no. Because I don't have the money.

MR. HETTEL: So, if a current third-party dredges under contract and it expires during a Government shutdown you can't renew that contract; is that correct?

MG GRAHAM: With new money. So, we will look to see what old money we have.

MR. HETTEL: Alright. Thank you.

MG GRAHAM: Somebody correct me if I skated over my skis on that. Yeah. When we took a look at that in terms of old money working with Ms. Brown's team and Mr. Smith, we will do everything we can to keep those rivers open and to not have that work impeded.

MS. ALEXANDRA SCHAFER: Can she slide all the way over? It's not on mute?

MR. POINTON: There we go.

MR. MURPHY: You're on.

MR. POINTON: Unless it's a hard question that turns –

MR. MURPHY: Either Tiffany or General Graham, we have heard in the past few meetings that that there was \$113 million in the BIL funds that are still eligible and available for projects. Can you tell us where that money is going? If it's not gone anywhere yet, how do we fix that? Because as you may recall from prior discussions, we've identified a few different projects where we could fund to completion some of the things that we want to do with that money.

MG GRAHAM: Would it be okay if I hand that to you, Ms. Brown?

MS. BROWN: Yeah. So, Secretary Connor, we do, you're right. We have just over \$113 million remaining in the inland waterways account within BIL. And he is putting together a comprehensive plan of how he wants to use those remaining funds along with what he is proposing for the FY 25 budget. So, he's sort of looking at everything and trying to figure out the best way to allocate those funds to get some of these projects to completion. And he's trying to get as many to completion as possible.

I know, you mentioned MKARNS and so we're sort of waiting to see what happens with the earmark because if the earmark goes through then the money that we would have used on MKARNS we can put to use elsewhere in the system. So, understand that the desire to have it happen sooner rather than later, but by waiting we can maybe advance more projects because that's money that we won't have to spend because the earmark will take care of that.

So, he is very committed to trying to complete as many of the ongoing projects as we can between what he recommends in the FY 25 budget and the remaining BIL funds.

MR. MURPHY: Thank you for that explanation. And that is useful information. I would just also know on the earmark question that we were in the office yesterday of the Congressman put in that request. And as you guys know, he has since followed up with a letter saying he would support the reallocation because as we know, our funding stream currently is uncertain at best in Congress.

So, I would probably just ask Mr. Connor to please factor that into his decision-making and if there is a case of waiting will actually yield more projects then okay. I get it. But we also don't want perfect to be the enemy of the good. If we have a chance to actually complete a project, we should think long and hard about doing that.

MS. BROWN: Okay.

MR. MURPHY: Thanks.

MR. DAMON JUDD: Damon Judd. Sorry, I've got three somewhat unrelated items but given the conversation we're having I guess just a follow-up on Spencer's point on our ability to accomplish more. I think one of the sensitivities, at least from my lens from the discussion of the Pittsburgh Board meeting on this reallocation was, I think we had the impression from the project manager that there was a window of time here where getting money to move faster would actually save us disruption costs of kind of shutting down a project and restarting it.

So just as you think of the context, so what you're hearing from the Board it is that back to this you understand the importance of feeding these funding streams smoothed out so the work can continue in an efficient manner so that we can make money go further across the entire program.

Second, was a question since we were having this Government shutdown conversation for Ms. Dempsey or for Heather (Gilbert) as it relates to the NOAA statistics, we are very reliant on those water flowcharts right now and the stage information. And in a shutdown will those continue?

MS. DEMPSEY: So, thank you very much for that question. Absolutely. It goes back to what Major General Graham stated about health, life, and safety. So, they will continue.

MR. JUDD: Okay. For navigation those are critical tools right now.

And then, lastly, Ms. Burroughs, your chart on the President's Budget and the discussion that Marty led us through as it relates to the November 17th date, it's worth noting from the Board's perspective, and I think we voiced this when the budget first came out, that right now another Continuing Resolution probably sounds like a good outcome on November 17th? Which means that we are left with pretty darn close to zero of construction funds and the trust fund of nearly \$180 million balance, and the nation and the system that needs work and investment.

So, I guess we as a Board just continue to urge the Administration that in light of these potential continuing events around funding and putting us in a position where the President's funding has close to zero for construction projects, really hampers our ability to deploy the resources of the trust fund to support the economic benefit of the nation as it's intended. Sorry for jumping on the pile of three themes.

MG GRAHAM: All those hard questions were supposed to go to Tiffany.

MR. POINTON: Yeah, any other round robin questions we can direct to Tiffany to see if we can come up with an answer?

No other questions for Tiffany? Alright. Thanks, Tiffany. Appreciate it.

Next on the agenda, it's kind of a segue, we've got Pat Chambers here again. He's the Chief of Operations and Regulatory from the Mississippi Valley Division and he's going to give us an update, or a status maybe is a better way to characterize it on the low water on the Mississippi River. So, we've kind of been chewing around the edge of that so now I want to put Pat right in the middle of the bullseye here. So, Mr. Chambers.

MR. PATRICK CHAMBERS: Yeah. Thanks, Mark. General Graham, Mr. Murphy, good morning. Here we are again. So, talking low water.

MG GRAHAM: We used to think it was General Holland that attracted all the hurricanes, Pat. She's gone, your excuse is gone. We're kind of thinking it might be you.

MR. CHAMBERS: I'm a little concerned with that, yes sir. And trust me, I would rather come and just take notes at these and get to listen to everybody else talk instead of being up here in the bullseye as

Mark put it. And so, all the discussions earlier this morning I know everybody is very focused and aware of the low water. And I was just going to walk through and give an update and I will try to be brief because I suspect there will be a couple of questions towards the end. The first couple of slides are just the obligatory slides. The maritime nation, and then of course, the geographical advantage that we have with the breadbasket of the nation right here. This supports the Mississippi Valley, or the Mississippi Valley supports.

This slide is -- it's a week old of course so some of those changes and you'll see the upper left some historic lows with Cairo at 4.5. Memphis we've got listed there as a negative 11.5 is a record. The new record was set Tuesday I believe at 11.98. So nearly a negative 12 foot at Memphis. Hopefully we're beyond that. Some recent rainfall in the upper Mississippi has provided some slight rises through the lower. And it does appear, fingers crossed, that our weather pattern may be changing. So hopefully will start seeing some more rain.

As everybody knows, all the rain that we're getting now, they're helpful. We accept them graciously, but only the water that is falling in the river is doing anything because anything that is hitting on the ground is being absorbed immediately through the drought conditions that that we've had for the last couple of years. So, no runoff. It's just what we're getting in the river system, that direct rainfall.

On the right you will see our 28-day forecast that we watch. And four of our key changes from St. Louis down through Vicksburg that we are keeping eyes on. And if you could look real close at that it would show the -- it is showing basically our average, the white, blue thick with yellow above and yellow below that band is normally where we're at any time of the year on average. And you'll see these last two years have been significantly below that. I won't try to belabor that but I just would point out that today St. Louis is at 1. It's going to get a slight dip and then it is going to go back up to about zero. Cairo is at 6 today and it is going to continue riding there around 7 and then back to 6 over 28 days. Of course, Memphis, down to a negative 11.3, something like that today. And that is going to hover just below that negative 10 mark and then back down to a negative 11 over the next 28 days.

Then at Vicksburg, is down just below -- or just above a negative 1 and it's going to hang around there. It is going to hover around zero towards the end of the month.

This is a flow contribution and the big take away here, I think, is that about 50 percent of the water that we get from the Lower Miss is coming out of Gavin's Point on the Missouri River combined with that off of the Ohio from Kentucky/Barkley releases. That represents about 50 percent of the flow coming into the river. And I'll talk about that concern, especially with the Missouri in just a second. I think everybody is tracking. But we will hit on that.

And just so -- low water started around June. Regional teams to begin meeting to determine dredging priorities leading up to moving dredges. And our focus was definitely on proactive dredging. A lot of times we get into just-in-time dredging. That is generally the way we have been funded. But if our funding stream has been much better and we had the opportunity to move out early and stay early on the mainstem river.

We began biweekly conference calls with the navigation industry and our teams in the field. We started moving our dredges, the Jadwin and the Hurley out of the deep draft and moved them up early along

with the Wallace McGeorge. We brought them up around September, to start working on them. Mr. Hettel, did you have a question?

MR. HETTEL: Well, Pat, let me start off with a comment. And I agree with your proactive dredging in this year. We certainly thank you for moving these dredges up when needed, not when – or prior to when needed actually. So, a great job on that. And one question for you in reference to the Wallace McGeorge. It's now back in deep draft dredging. If the need to come up how soon could you, would you, and how soon could you move that back up to shallow draft?

MR. CHAMBERS: Marty, thanks for that question. I kind of suspected it and actually you already told me you were going to ask it. But yes sir, we moved the Wallace McGeorge back down. Actually, it was sent back down to into the New Orleans District as shallow draft. To dredge the Tunica Bend, and then it will be moving back down into the deep draft crossings. And we've got them on a short leash. If it looks like we're going to need them, we will bring them back up into the Lower Miss. into the Vicksburg, Memphis AORs. We are tracking it very closely and keeping a very close eye on it. But I do appreciate the question, and we are -- stay on top of that and keeping very close track of where they're at.

MR. HETTEL: Well just a comment, I understand Tunica is in the New Orleans District but I still look at that as a shallow draft. Just being able to have the flexibility to move that dredge back up if needed, and that's if needed, who knows what Memphis is going to fall to. But appreciate your commitment to moving up if needed as soon as possible. Thank you.

MR. CHAMBERS: Yes, sir. And I appreciate the question and it's good to be able to get that out there so that you all are tracking.

And again, as last year, we did coordinate with the National Economic Council, keeping them updated on low water on a weekly basis. And then, even further down in New Orleans area the saltwater wedge began moving up and of course we built a sill there, in the event we need to in order to prevent that saltwater wedge from moving up into those freshwater intakes.

We completed the initial underwater sill on 29 July, but it became evident that the wedge continued to move farther north so we began raising at the end of September that sill to a negative 30 with a notch in it to allow one way deep draft navigation. That was completed last Thursday so it's just -- and I'm very happy to report that this augmented sill is performing a lot better than originally anticipated. So, the saltwater wedge had actually encroached up to almost mile 74, but it is now receded all the way back down to just above the saltwater sill.

So, the augmented sill has done really well. We do rely on river flow to keep that wedge down there. As the -- and were just keeping a close eye on it. Had it been at this point to track it so more to follow as we see flows decrease if they do. But at 150,000 cfs it's holding it right where we want it. So good news on that.

MR. MURPHY: I have a quick question.

MR. CHAMBERS: Yes sir.

MR. MURPHY: On the saltwater sill. And first of all, as someone who's drinking water depends on that, I appreciate those efforts and it's been great to see.

Related to a shutdown funding question, I'm assuming that these efforts would also fall within life and safety so I'm good?

MG GRAHAM: Absolutely good.

MR. CHAMBERS: Alright. No, I appreciate that question. We're going to get a look at the sill --
MR. JEFF WEBB: Just one quick question?

MR. CHAMBERS: Yes sir.

MR. WEBB: We talked about Memphis being at record lows. Is there any areas on the Lower Miss and/or between St. Louis and Cairo that has a hard bottom that were worried about?

MR. CHAMBERS: Thebes. Mile 41 to 44. That is at a negative 7 on the St. Louis gauge. That's a major problem. I don't think we will get there. But who knows. But right now, we don't see it. We don't see it getting to that stage. It will get a little dicey at negative 5. We hit negative 4.9 last year, but I think we're in good shape there. But that is the only hard bottom. That I have major concerns about. Sir?

MG GRAHAM: That's where the rock pinnacles used to be and we ground those down to just in case we end up here again. To ground down much further would mean -- I think we've got all the high spots out. Now it's just the bottom of the river.

MR. CHAMBERS: Yes sir. Yes. That was the rock pinnacles. That brought it down considerably.

Alright. Again, I talked about the Missouri River and the flow is there. Their nav season ends towards the end of November. And we will start feeling some impacts from that as they stop releasing. We won't see the full impacts until about the middle of December. So that's a little bit worrisome and we're really pulling for more rain in order to keep us where we are, not relying completely on the Missouri releases.

MR. JUDD: Damon Judd. A question on that. I think last year there was some conversation around the Missouri flow shut off would be -- I think the conversation was at four- ish feet at St. Louis and two- ish feet in Memphis. I may be wrong on that. But can you give us kind of a sense of order of magnitude as that flow shuts off what you think that is in terms of water level impact at Memphis and St. Louis?

MR. CHAMBERS: I think that we will probably see a 2 foot drop there at St. Louis through the St. Louis reach. And that's my best guess right now if it just -- a complete shutdown.

MR. HETTEL: So, Pat, Marty here. It just begs the question we have asked every year during low water, with what we're facing now, is there any opportunity to delay the shut off at Gavin's Point to continue flows to eliminate any future problems?

MG GRAHAM: I'll take that one, Pat.

MR. CHAMBERS: Yes sir. I was looking directly at you, sir.

MG GRAHAM: Thanks, Pat. No. Just because –

MR. HETTEL: I have to ask.

MG GRAHAM: We would get chewed by everybody and so that's not really what that -- we have authorization to do. But what we do have is some of Pat's -- some of the smaller reservoirs off the mainstem of the Mississippi have some storage. And we've -- what's the name of that river above St. Louis?

MR. CHAMBERS: Kaskaskia.

MG GRAHAM: The Kaskaskia. There's a little bit of storage there. Mike asked for a little bit of a bump as were starting to see that so the water management team is taking a look at that and trying to within the parameters of our water control manuals it to see if we can make sure we've got that water stored up and use it wisely if we need to. We hope we won't have to, but it is one of the arrows we have in our quiver.

MR. HETTEL: Of course, my fear is we lose 2 feet in St. Louis does that equate to a foot loss at Memphis? And now, were approaching minus 13 feet?

MR. CHAMBERS: Not necessarily. It's all dependent on what's coming out of the Ohio. So, I mean it's – right now I couldn't give you a number to be honest.

MR. HETTEL: I know it's dependent on the flows of the Ohio, but there's not any flows left out of the Ohio as you're well aware of.

MR. CHAMBERS: And it's all depending on rain.

MR. HETTEL: It's precipitation driven?

MR. CHAMBERS: That's right. So, for me to sit there and give you an exact number I mean I would be way off base for sure.

MG GRAHAM: So, we are looking for monies to see what adjustments are out there. How could we influence this with the authorities we have and what water we've got stored in various spots, and the water managers are putting that together to see how we can keep navigation going. Okay. And were happy to report that out to you. You heard Pat talk; he kept the National Economic Council updated so the White House is paying attention on what we're doing. And certainly Mr. Connor is keeping them informed.

MR. CHAMBERS: And just what General Graham was talking about, just a second ago, from our lessons learned last year we did engage, and we are engaging all the water management teams that have an opportunity to have any effect. And those coordination calls are going on as we speak. We are doing -- whenever were looking at Cairo or about where were sitting right now below 10 on the Cairo gage

they are talking daily. And coordinating any and all opportunities and bringing in even more water in the Upper Miss. What we can hold back in our locks and dams up there just to give us short respites when necessary.

Of course, our limitations, in all I always bring this up. Yet again obligatory here. Our dustpan dredges are our main weapon in low water. For the mainstem river and the shallow draft and all of them that we use are over 30. We've got two of them that are over 90 years old, that are out there working. So, we are working to move forward on that.

We've got some limitations on the Dredge Potter. It can't get down in the draft and can't work in -- and/or cannot work in high flows. It's a little bit underpowered to be down at places like Victoria Bend. Or other areas it down in the Memphis and Vicksburg Districts.

And of course, Wallace McGeorge, Marty brought it up, it is our only contract dustpan (dredge), and we utilize it when and where necessary. We brought it up the last two years in order to support us in the Vicksburg and Memphis Districts. Now, it cannot go above Cairo by contract.

Again, we talked about the lessons learned and the coordination with the reservoir partners. The Coast Guard and USACE working buoys. We augment buoy placement with two of our buoy boats, the Motor Vessels Grugett and Pathfinder in order to assist the Coast Guard whenever they -- whenever they are challenged. And during this time with the water going up and down and then as low as it is, they need all the help that we can provide to them. So, it's been extremely beneficial, and we are using the eAToNs, the electronic Aids to Navigation are out there.

And this is where we stood a little over a week ago because Mark makes me get these things into you really early so that he can put them out. In the upper left of course we've got eight active dredges and whenever I say active dredges that is specific to this low-water event on the lower Miss. So not counting what is in the deep draft, not what we're working in St. Paul going on this is it just specific to the low-water effort on the lower Mississippi, St. Louis and down to the upper -- or the lower end of the Vicksburg District.

The cubic yards removed, that's a shot in the dark. We'll roll that up at the very end. Of course, I'm showing \$32 and a half million thus far expended, but today were standing at \$34.1 million that we've expended on this event here.

And I don't know if you can see that, maybe on your sheets you can probably see it a little bit better. It's kind of hard, I know I can't see it from here. But we've got restrictions starting at -- right there at mile 953 down to 869. We've got 9.6 a 9-foot 6 inch draft restrictions. For barges, they can tow four wide if it's loaded, five wide if it's unloaded. Down below 869 to 482 they can run six wide in 9 foot 6 deep. And then from 482 south they can run 10 foot wide -- 10 foot deep, 6 wide. Let's see. I will talk -- oh, I do want to bring up -- whenever I'm talking restrictions, the Chief Operations for Little Rock called me. I think y'all are tracking it. They've got 7-foot restriction right now, 7 foot nav on the lower Arkansas below Montgomery Point. They're going to have to dredge out their Sunday, it's going to take them about a week to dig it and they're planning on digging to leave 12 foot. So that was a note that they wanted me to drop off for you.

And then, of course, the lower Ohio is restricted to one way navigation and no southbound traffic at night.

So, let's see. Any questions? I'm getting out of this pretty easy.

MR. WEBB: So, Pat, from a Midwestern standpoint, I mean it's going to come up. Somebody's going to ask what levers do we have left. So, I'm hearing we've got good flows off the Missouri. Kentucky and Barkley are they down to levels where we're at winter levels and there is no water left in those. I hear it a little bit, maybe up on the upper end of the Ohio. Just can you talk us through what do we have left to Kaskaskia?

MG GRAHAM: I got it.

MR. CHAMBERS: Yeah, go ahead.

MG GRAHAM: We'll ask LRD (Great Lakes and Ohio River Division) to chime in with what they got up in the Cumberland, Tennessee and the mainstem of the Ohio.

MR. JOSEPH SAVAGE: Yes sir. We're --

MR. POINTON: Hey Joe, could you grab a mic so that it gets recorded? Thanks.

MR. SAVAGE: Joe Savage. Great Lakes and Ohio River Division Program Director there. We've begun the winter drawdown from summer and the winter pools in most of our system in the Kentucky and Tennessee area as well as in the upper Ohio.

But we haven't experienced the same rainfall that we had in summers past. Last year we had full reservoirs and when we were going from summer to winter pool, we saw a substantial effect at Cairo. We had a foot to 2 feet of impact during that mid-October to mid-November drawdown. Some of our reservoirs did not even achieve the full summer pool this year and so while we're doing drawdowns, I don't think we're going to have the same net effect that we had last year.

We could see -- certainly we'll see some added flows, but not to the same degree that we had last year.

MG GRAHAM: So then let me translate a little bit into English for you. So, on the multi-purpose reservoirs keep them summer pool high for water supply or recreation and then, we start to draw them down about this time so that we can catch the spring floods. And that's what Mr. Savage was talking about. That drawdown about this time of year we would put that water downriver and make storage to catch snowmelt. That's what helped us out last year.

This year it is not going to be a lot of help. I'm not stating a happy case for us right now. What's saving us is that that Pat started dredging early. We will continue to work with the water management -- water managers and MVD and LRD to see what flexibility we have with the water we do have. I don't see -- we can't deviate on the Missouri, but they had -- the good news at least from Missouri is the drought wasn't as bad as last year on the Missouri. So were going to keep flows probably up through mid-December. Tom, is that what we're seeing?

MR. SMITH: Yes, sir.

MG GRAHAM: The normal drawdown. They didn't have to shut off early this year on the Missouri.

MR. HETTEL: Pat, Marty here. Just as you are well aware, I'm on all of the LOMRC (Lower Mississippi River Committee) calls also. Did I not hear that Barkley and Kentucky were already at their low water drawdown level?

MR. CHAMBERS: I'm not tracking that they are at their lowest level at this time. I know that it's been up and down.

MR. SAVAGE: I'll find out and get that answer to you. But I was referring to is the reservoirs, the flood risk reservoirs upstream of that, some of which would flow into the Kentucky Barkley system. But I'll follow up.

MR. HETTEL: Yeah, I understand that were going to see the shutoffs in Missouri at Gavin's point. I don't want people in the industry to think oh, we've got more water that we can move out of Kentucky and Barkley. Because I think they are already at their low water drawdown level. I'm not positive but I think I heard that. So, if you could verify that for us, Joe it would be appreciated.

MR. SAVAGE: We can certainly do that.

The biggest change for the Great Lakes and Ohio River Division this year is that we implemented the low-water synchronization across all of our river Districts in an attempt to moderate some of the peaks and troughs that we recognized were emanating. We've done that in the past with our coordination with the TVA (Tennessee Valley Authority). But we recognize there is more we could have done as we moderate some of those gate changes all the way up even into the Upper Ohio. So, we've instituted that in an attempt to try to keep things a little more stable as the confluence there at Cairo.

MR. CHAMBERS: Alright. If there are no more questions on that portion, I was just going to talk a little bit about the saltwater wedge and the efforts down there. And let you all see what the actual augmented sill looks like. And again, this is a week-old data here. I think today we are right at 150,000 cfs, moving down the river at that location. But again, the augmented sill has really done well, better than expected. And it's held this wedge from moving on, as Mr. Murphy will be happy to hear. It's holding pretty good.

One other note I would make is that -- and I think General Graham had talked about the water, the freshwater deliveries for the RO (reverse osmosis) units. Up above we have, to date 23 million gallons delivered at this point and standing by ready to move more as necessary provided the wedge continues to move upriver.

And then there's some timelines down there and again, that was a week old so those are kind of out of date at this point. And again, as the flows drop, we still don't have a real good idea, we've never been here before with where were at and this augmented sill. So, it's going to be -- they're watching it real close and taking daily samples. Keeping an eye on where the wedge is and where the crown is.

And then, this is just a look at the augmented sill. The red line is the normal sill that we would put in at low water whenever we see saltwater wedge moving up. At negative 55 we built it up to a negative 30, just completed it last week to a negative 30 with that 620-foot notch.

Now about 1.9 million cubic yards in construction of both the original sill and the augmented sill. So subject to your questions -- and there is a picture of the Dredge Chatry that built the sill for us.

MR. JUDD: One last thing on low water just for awareness. We talked about this last night a little bit at dinner. Pat, I think a lot of those 9.6s unfortunately as of Tuesday are now 9-foot restrictions. From an industry standpoint you can continue to load barges lighter, but we will hit a point where boats can't navigate, and we can't get the boats lighter. And I think you can think of eight six-ish would be probably, -- that should be a pretty hard line in terms of perfect science, but we're all turning boats to keep bigger boats south. We are taking light fuel and refueling multiple times to keep boats light. I think if you look at most of our fleets that operate the lower Miss if you go below 8.6, we probably all lose half of our fleets and that can actually run in those conditions. So just back to how important these thresholds are and how important 6 inches of the draft is, I just wanted to make sure that the Administration and the Corps is aware of that dynamic on boats.

MG GRAHAM: Thank you.

MR. CHAMBERS: Thank you. I appreciate it. Alright.

MR. POINTON: Yeah. Thanks, Pat. No more questions for Pat?

MR. CHAMBERS: Thank you.

MR. POINTON: We're going to move into the project specific presentations now. Mr. Steve Fritz is here from Pittsburgh District. He is the usual suspect to give us updates of their projects up there. He is the chief of the MEGA projects section in Pittsburgh. We missed him down in Paducah. I'm sure he was more than happy not to be there. And Steve, let's hear about the Lower Mon's project at Charleroi and then we can touch on the Upper Ohio for a bit.

MR. STEPHEN FRITZ: Sounds good. Thanks, Mark. It's a pleasure to be back again. General Graham, Mr. Spencer, Ms. Brown. Appreciate the opportunity to talk again about the projects in Pittsburgh.

So, for the Lower Mon project I'm just going to recap real quick on the scope so everybody knows what we're talking about. On the Braddock, the gated dam replacement the fixed- crest dam at Charleroi. We're constructing the first of two authorized chambers. The second chamber has been deferred until the 2050s.

Locks and Dam 3 will be removed from the system changing the pool elevations. Those pool elevation changes require dredging of Pool 3. They also require an adjustment of shoreside facilities within that pool. There is also some mitigation items that are associated with that when we take out Lock and Dam 3, that reduces a quality habitat for fish, so we are constructing fish reefs to accommodate that.

And then, we're also doing in the pool change areas we are also conducting wetland surveys right now so that when those pool changes do occur, we can determine whether or not there is a net loss or a net gain to wetlands. And those two mitigation efforts are all in response to NEPA requirements.

So, the bottom-line up-front status of the Lower Mon project is regarding safety. There's been no more safety incidents. I know the Corps recently had a fatality in one of their facilities and every day at our projects within Pittsburgh we conduct safety briefings before those contractors start. It's important to maintain safety.

Regarding the project schedule, the only thing I want to point out here is that I revised the current completion date from May 2026 to May 2027 for completing construction. And that is primarily driven by the feedback that we received from the demolition contractors that were bidding on the removal of Lock and Dam 3. They didn't believe there was enough time in there for them to adequately remove the facility. They thought it was a tremendous risk to them, so we oblige them and did extend that period of performance for that contract by about one year.

MR. HETTEL: Steve, Marty here. On that topic, it's probably for the removal of the lock itself? In other words, the dam removal should stay the same and you still see this project becoming operational in December of next year, correct?

MR. FRITZ: That's exactly correct.

MR. HETTEL: Okay. Thank you.

MR. FRITZ: So, the next scheduled contract award for the Lower Mon project is the Braddock galleries, the increased pool level there is going to flood the galleries so were going to install some pumping and have some pipe pumps and some piping to keep those galleries fresh, cleaning out the water.

Regarding the total project cost certification, that's the last item on this slide. Our most recent certification was back in 2017. We are working a news cost certification right now to assure that we have adequate funds to complete the project.

MR. HETTEL: Steve, Marty again. On this next scheduled cost certification, what project -- I mean this thing is going to be operational in 2024, why another cost certification? Is that just for the decommissioning of the old chamber at Charleroi?

MR. FRITZ: That's the primary driver for that, Marty. So, we did request funds in 2024, FY 24 and FY 25, but the primary driver for that is what we are going to do to close that chamber at Charleroi, that land chamber.

MR. HETTEL: Okay. And a question for you on these cost re-certifications. Is that shared by the trust fund?

MR. FRITZ: Yes, it is.

MR. HETTEL: Okay because the project is already ongoing, correct?

MR. FRITZ: That's correct.

MR. HETTEL: Alright. In that cost certification are you going to do anything on the land chamber, new land chambers in the cost certification?

MR. FRITZ: We are going to -- I'll get to that in a couple of minutes if you wait for one minute. We do have a plan for that land chamber. I go into it now if you want to hear it.

MR. HETTEL: No, no. My question is when you do the cost recertification for decommissioning the old chamber at Charleroi, are you also going to do a cost recertification for that new chamber?

MR. FRITZ: I understand your question, yes. So typically, that's what we will do. We will include the total authorized project in that, and we will break out that 90 percent benefits project as a separate number.

MR. HETTEL: Okay. So that will, again, be shared by the trust fund to the cost recertification of the new land chamber at Charleroi which may not be operational until 2050?

MR. FRITZ: Past 2050, yes sir.

MR. HETTEL: So why do the cost recertification on the land chamber now? That's my question.

MR. FRITZ: All I can tell you, Marty, is, as that is part of the authorized project cost, we are required to do the certifications on the authorized project cost every two years. So that's our goal to get that done.

MR. HETTEL: Okay. And then to verify this upcoming cost recertification will not include the raising of the Port Perry railroad bridge?

MR. FRITZ: That's correct. That's been removed from the scope from back in the 2015 timeframe.

MR. HETTEL: Okay. Thank you.

MR. FRITZ: So, this is a picture that a lot of us have wanted to see for a long time. This is the Charleroi Lock at full pool elevation, 84 feet wide. The first contract at Charleroi was in 2004. It has taken us 15 contracts and 20 years roughly to get to this point. We're nearing the finish line but there's still work we need to do. We're in the process of assuring that the individual components of the system are working as they're designed. It's expected when we're firing up these new systems that there are challenges that that we're facing that were both expected and unexpected.

You may notice this has a pointer on it. I have changed the fully operational date from January 2024 to April 2024. We are having some challenges with the electrical and mechanical systems are there that we are working through, but what I want to emphasize is that this does not affect removing Lock and Dam 3, getting that dam out of the system so it doesn't affect project benefits.

I expect that traffic will be going through the Charleroi River chamber in February of 2024, but at that point we're still going to have that land chamber available in case that there is an issue with the new chamber.

That little bit of a schedule adjustment there is a lesson learned for us. It's also going to be a lesson learned for the rest of the Upper Ohio, and it's going to be across the enterprise. We're bringing on these new systems that are unique to us right now and as we develop those systems, and we understand those systems we need to make sure we include enough time in our schedules to fully commission those things and make sure they work as designed.

At Charleroi we've developed a transition team to troubleshoot all those issues and assure that our operations team members are fully capable of operating those facilities when they go online fully.

Regarding the land chamber itself, in the upstream approach at Charleroi that accumulates an awful lot of debris during high water events. So, our plan there to mitigate that is we are going to keep the land chamber miter gates and filling and emptying system operational and that will allow us to lock the debris out of that upper approach and minimize the risks and the impacts to navigation.

The contract to remove Lock and Dam 3 was awarded in August. Demolition of the dam will begin in July of 2024. I would expect that the pool elevations are going to change it just about at the same time, probably as soon as that contractor starts taking that dam out and it is breached, probably about a week or so before the pools are equalized.

For safety until that time is realized where those pools are equalized -- I'm sorry, until the dam is completely removed, navigation is going to be forced to use the chambers so that they stay out of our contractor's way and they don't provide unsafe conditions.

In December of this year, I think on December 12th, some of you may already be aware we are having a navigation stakeholder meeting. This will be the second of two that we have had to coordinate that removal of Lock and Dam 3 with the navigation industry. That's going to be held right in Elizabeth Borough, and if you haven't received that invitation and you want to come to that, will please let me know and I will get you on that list.

Some of the final items that we're wrapping up include the construction of the fish reefs. I mentioned those. We have five in different locations where we're building those reefs in Pools 2 and 3. There are 70 reefs total, to accommodate that loss of habitat downstream of Lock and Dam 3 when we take out the dam.

The existing Charleroi elevator is it being retrofit so that it -- I'm sorry. So, the Charleroi elevator is being retrofit to bring it up to current standards, so we have a way to get our folks up into the control tower through the life of the project. At Braddock I mentioned the higher pool elevations are flooding the galleries within that lock, so we are putting pumping systems in there to keep those dry.

And finally, we're working with local communities to adjust facilities that are affected by those pool changes when we take out Lock and Dam 3. We're making good progress there. This funding chart has not changed. Both the Senate and the House have Lower Mon in their markups for 2024 for \$41 million. When we complete the cost certification, that will determine whether or not

that \$41 million is going to be adequate to wrap us up to that 90 percent benefits project. And whether or not we're going to need any funding in FY 25.

MR. HETTEL: Steve, Marty here. The last question for you on Lower Mon, I promise. The \$41 million that you need in 2024, is already contracted for the removal of Lock and Dam 3, so you evidently already have the funding for that. What is this \$41 million needed for? Is that for the decommissioning of the land chamber, or what?

MR. FRITZ: In part, yes. I mean, we have relocations we need to finish up yet. The land chamber is part of it. We have risks associated with wrapping up the chambers we have now. We have risks associated with taking out Lock and Dam 3. So, some of that is contingency. Some of that is labor. But a big portion of that, Marty, is going to be how we decommission the land chamber to retrofit it so it can pass drift and debris to keep that chamber -- to keep that upstream approach open.

MR. HETTEL: Okay. Thank you.

MR. FRITZ: You're welcome.

I think I said it already, but when we get this cost certification done, we're going to know right there in 2025 whether or not we will need any additional funds to wrap up the Lower Mon project. The issues and challenges, the next slide, it's expected that we're going to get this funding in FY 24. That depends on Continuing Resolutions and other things that Congress is currently working through. The Dam 3 removal, although it is -- the dam is scheduled to be done with the removal in December of 2024, the river has a vote there with -- where historically in low river conditions at that time, but the river does get a vote there whether or not that impacts us removing that dam.

We continue to work with our higher Headquarters to get those relocation agreements on track and executed. And then, the only other risk I want to mention, I've mentioned it a couple of times is I know there was concern that we were dredging a little bit too early. There is a low probability for siltation in Pool 3 because we've completed that dredging already. We've been surveying that and we're about three percent siltation that's occurred over the last 18 months, two years, since the dredging has been completed.

We expect once Dam 3 comes out that that is going to stabilize and I don't anticipate any particular issues there, but we are monitoring that to make sure. And Marty, that's one of those contingencies that we would be looking at.

Just some photographs here. Top left-hand corner it shows us placing a hanging miter gates in that new river chamber. This is at the upstream bend on the river wall. Top right-hand corner, that's pretty much the brains of the operating system; that's the motor control center out there.

The bottom left-hand corner is a picture of our control tower. So that's what it looks like. That's what the operators are going to see when they are moving boats through the chamber, and we are considering that as a location for future remote lock operations out of Charleroi. And then, the bottom right-hand corner is and on the wall control shelter and that's another way how the lock operators can move the locks and lock the boats through the chambers.

And I think that completes my Lower Mon briefing unless there's any other questions. Yes sir?

MG GRAHAM: Alright, Steve. So great to see water in that chamber, gates going into that chamber. Awesome work, but we never want to do a lock chamber this way ever again.

MR. FRITZ: Agreed, sir. 100 percent.

MG GRAHAM: I know you do. You've been at ground zero on this for 20 years. So, thanks for this hard lift. That's a pretty amazing picture there. So, I think the task in front of the Board is 15 contracts, 20 years. We don't want to do that again. Some of that is on us, absolutely, we own that. Some of it is on things, I think funding, that we needed this body's help.

So as Mr. Murphy talked about. As Chairman Murphy talked about, capital investment strategies, we can't start more stuff than we can finish. And certainly Mr. Connor's priority, you heard Ms. Brown speak to his strategic use of the funding levers that are at his disposal now, and ones that he potentially can envision in the future to make sure that we are moving your priorities for work as you stated them in the Capital Investment Strategy.

Alright. So, we are going to have more on that in the future. But that's the key. We don't want to start more stuff than we can finish because we are going to end up where Charleroi ended up. And that's madness. Okay. That's madness. Thanks, Steve.

MR. FRITZ: You're welcome, sir.

MR. JAMES GUTTMAN (from the audience): Question.

MR. FRITZ: Yes sir?

MR. GUTTMAN: Thank you. I'm James Guttman and I actually operate the terminal above Lock 4. Nice to meet you.

MR. FRITZ: Nice to meet you.

MR. GUTTMAN: You mentioned the information about the land chamber.

MR. FRITZ: Yes.

MR. GUTTMAN: Are we going to keep that as a navigation chamber? You talked about debris removal and remember we gave up the two chamber system to a one chamber system, and I'm encouraged by seeing the land chamber, but wondering if we're going to keep it operational? Thank you.

MR. FRITZ: So, the answer to your question is it going to be not operational to pass navigation. Once the pools change after we remove Lock and Dam 3 we are losing too much depth of water over the sill so it will not be navigable at that point. And part of the land chamber -- or part of the river chamber work before we lower that pool is to make sure that the downstream guidewall at Charleroi remain

stable. So, they have to buttress that to make sure it remains stable. So, there will be no navigation capability within that chamber. It will strictly be to pass drift.

MG GRAHAM: Now Steve, you still have authorization for two chambers there, correct?

MR. FRITZ: We do.

MG GRAHAM: So, they are still authorized?

MR. GUTTMAN: I heard 2050.

MG GRAHAM: Well, and that goes to what the Capital Investment Strategy and the Board wrestles with.

MR. POINTON: An extra meeting?

MG GRAHAM: That might be. Thanks for that.

MR. FRITZ: Yeah, we have not removed it from the authorization. We still are -- it is still in there, and the benefits and the costs associated with building that additional chamber up there will drive whether or not we have to -- whether or not we are going to build that chamber. We did commit back in 2014, I believe it was, to do another, like a general reevaluation of the overall project to assure that the benefits outweigh the cost if we construct that second chamber there.

We all know that traffic has dropped significantly in the past five years or so, so if the benefits continue to outweigh the cost that chamber could be authorized. But right now, theoretically, that chamber provides less than -- honestly, less than 5 percent of the benefits associated with the project.

It is a good idea to have that redundancy there. But at the same time there is a significant cost associated with that redundancy.

MR. POINTON: Thanks, Steve. Steve, I'm going to interrupt you here. We're going to go ahead and accelerate the break a little bit, so we're going to take a break right now and will come back and I'll let you gather your thoughts on the Upper Ohio.

MR. FRITZ: Did I do that bad?

MR. POINTON: no, so were going to take a fifteen minute break right now.

MR. FRITZ: Before the Lower Mon started, I had a lot of hair just like Jeff did.

MR. POINTON: Yeah, and I think you were 6'8" too?

MR. FRITZ: Yes.

(Whereupon a break was taken. Off the record at 10:56 a.m., resuming at 11:14 a.m.)

MR. POINTON: It's approximately 11:15 so we are going to reconvene with Steve picking up on the Upper Ohio.

MR. FRITZ: Is that me? (Audio feedback.)

MR. POINTON: I don't know.

MG GRAHAM: Somebody has got one of them on around here.

MR. POINTON: I don't have a pacemaker so it's not me. Go ahead on the Upper Ohio, Steve.

MR. FRITZ: Alright. Thanks again for bearing with me for the Upper Ohio project. Just a short recap of the scope there so everybody is on the same page.

Like Lower Mon it's a condition driven project that includes the three uppermost locks on the Ohio River, Emsworth, Dashields, and Montgomery. And the risk there is that if one of them fail the system shuts down. And I stress that it is a system. So, from the Pittsburgh District perspective, it's important for us to get these recapitalized as quickly as possible because if one goes down the system is down.

At each of the three facilities we're going to replace the auxiliary chamber, which is 56 feet wide, 360 feet long with a 110-foot wide 600-foot chamber. Kind of a twin to the one that is that there now. The existing main chamber, the landside chamber at each is going to become the auxiliary chamber and that will be in a fail to fix mode. So that means it has to fail before we do anything to fix it.

The status slide. There are no safety issues reported. There are no significant changes to this particular slide except, I think someplace on here from Montgomery I said it's part of the -- well, maybe this slide didn't get updated. I'm sorry.

Montgomery is going to depend on a Capital Investment Strategy and additional funding because of the increase based on our certified cost estimate. Although I thought that change on this slide, I must have missed it. Sorry.

We are still on track to award the Montgomery Lock contract near the end of Fiscal Year 2024. We plan on advertising on that in December of this year. Earlier this month the District submitted, I think it was on October 2nd, the District submitted its revised cost estimate to the Cost Center of Expertise. So, we are working to achieve an overall project cost certification. You will recall just back in June 2023 we got the certification for Montgomery only. So, this is going to be an overall project cost certification. And I expect were going to have that certification done by the end of the calendar year. Probably sooner, but I won't commit to that. Regarding funding, there is no significant changes on this slide here from the last report. Marty, you look like you're poised to ask a question.

MR. HETTEL: I had to make sure this mic works. I don't know. They gave me a different mic. I don't know if it was because they didn't want me to ask questions --

MR. POINTON: That was totally unintentional.

MR. FRITZ: I asked him to take the batteries out.

MR. HETTEL: Steve, on this slide, we see that total cost expected, noncertified, a fully funded cost to be almost \$6.1 billion. I believe the Upper Ohio Nav study had \$2.7 billion was a BCR of 4 to 1? So, the cost increasing by 2.25 times, does that reduce the BCR down to a 1.75?

MR. FRITZ: I can't tell you that it reduces it to a 1.75 because benefit-to-cost ratios have two components. They have the cost and the benefits. So, in 2025 we will be doing another economic analysis on this to determine what that new benefit-to-cost ratio is. And that new certified cost will be rolled into that.

MR. HETTEL: Okay. Well to Tiffany's conversation on the Capital Investment Strategy update is supposed to take place in 2025. I would like to request that we get updated BCRs on these projects because we see the cost escalation go up, we know the BCR is going to go down.

It also would be nice, we used to get a remaining benefits-remaining cost ratio on ongoing projects. When we get into the Capital Investments Strategy that's going to be important data for us to have two wrap and stack these projects as -- I understand risk of failure, but also the benefit to the nation.

MG GRAHAM: So, let me ask a question about that. Once we start building it, we're going to finish it. So, the benefit-to-cost ratio those are preconstruction decisions. That's the way I view it. Do you view it differently?

MR. HETTEL: No, I agree.

MG GRAHAM: Okay.

MR. HETTEL: But we haven't started construction yet, so we ought to get the updated costs and benefit-to-cost ratio.

MG GRAHAM: Absolutely. Acknowledged.

MR. HETTEL: Okay. Thank you.

MR. FRITZ: So, sir, that raises a question to me than is once we start it, what is the purpose of doing another economic analysis from that point forward?

MG GRAHAM: Well, cost analysis, yes.

MR. FRITZ: I agree. Yeah, cost analysis. Correct.

MG GRAHAM: But once we start building it, were going to finish it.

MR. FRITZ: Does that mean then that the economic -- the five-year economic updates, do we need to continue to do those? I mean, I would just ask what purpose that serves then from that standpoint?

MG GRAHAM: It doesn't make sense to me but somebody else might have something else. Ms. Brown?

MR. FRITZ: Sorry to put you on the spot. I just -- it makes me wonder why we would do it if we're going to continue to build it.

MS. BROWN: So, you're right. I mean we complete what we start. But each year when we're making decisions about recommendations for the budget, is important to know what the BCR is. If it's high enough that it is budgetable then we can fund it to whatever the capability is that year. If the BCR isn't high enough to be budgetable, then the only way we could recommend budgeting for it is to complete it. So, it's important to have that information to inform those decisions.

MR. HETTEL: And Steve, my thoughts, and I'm just going to -- let's look at the remaining benefits and the remaining costs ratios. If we got to a point in our trust fund, let's just say we couldn't fund Chick and Kentucky at the same time. I think we would make a recommendation to fund the one that has the highest remaining benefits and remaining cost ratio. In other words, why would we dump money into a project that has a lesser remaining benefits-remaining cost ratio? That's how we make our decisions on the Capital Investments Strategy that I've been through, and this will be my third time. And the same scenario on the BCR. If we get to a point in the trust fund where we can't support two projects at one time, we would prefer to support the project that has the higher benefit to cost ratio.

MG GRAHAM: That's reasonable.

MR. HETTEL: Make sense?

MG GRAHAM: Yeah.

MR. HETTEL: Okay. That's my thought process behind having those two numbers when we go into the Capital Investment Strategy we do. Thank you.

MR. FRITZ: You're welcome.

Okay. So as discussed at the last Users Board meeting, Montgomery was certified for about \$1.7 billion with Bipartisan Infrastructure Law provided \$857 million for Montgomery. Of course, that was expected to be fully funding it through construction but turned out after that certified cost and that inflation and market conditions, we need about \$800 million more dollars to complete that. Now, that's based on what we knew then. We plan on getting these proposals from the contractors in the April, May timeframe. We plan on awarding the contract in September or October of 2024. At that point we're really going to know what that -- what those market conditions and inflation -- what that true impact was on the Montgomery project. So, although I don't question the number \$1.6 or \$1.7 billion, the truth is going to be when we open bids. That's going to tell us what the contractor -- what risks the contractors are willing to take and we try to reduce those risks pre-proposal by introducing the economic price adjustment clause in our contracts. So that helps us reduce the risk to the contractors. And then, when we open those bids were also going to have a better understanding of what that funding glide path going to be for the next five, six, seven, eight years for us to complete Montgomery.

MR. HETTEL: Question on that Steve, and you probably just answered it. Seeing as how we don't have capability numbers you probably won't have them until the contract is awarded; is that correct?

MR. FRITZ: We have capability numbers estimated in 2025, 2026, and 2027. But I don't know if allowed to release those yet, Marty.

MR. HETTEL: That certainly would be beneficial to us to know what those numbers are. We've got \$850 -- almost \$858 million to spend on this project already. Are you telling me you're going to spend that \$858 million in the first two years and need additional funding on the third, fourth, and fifth year?

MR. FRITZ: It's not the matter of spending the money. It's obligating the money on the work that we award.

MR. HETTEL: Okay. Alright. And here's the question, are you looking at pursuing continuing contract authority for this project?

MR. FRITZ: We were just asked about including something similar which is an incremental funding clause for Montgomery. From the Pittsburgh District perspective because that this is a condition driven project, including that clause has to be approved at the OMB level, I believe. But we don't know if we have that approval. That could delay us awarding the contract six months, a year. Once we get the approval to use a clause similar to continuing contracts or incrementally funded, we can certainly adjust the contract solicitation package to include that. But to make that adjustment we have to -- we would have to go through another acquisition plan, get approvals for that. So, there's benefit in pursuing that for Emsworth and Dashields, 100 percent. For Montgomery, it depends whether or not we want to delay contract award.

MG GRAHAM: So, let me read that back to you, Steve. So, the acquisition strategy that you built for Montgomery is not contingent on getting incremental funding clause?

MR. FRITZ: That's correct, sir.

MG GRAHAM: That's the way you built --

MR. FRITZ: That's correct. It's a basic plus options scenario.

MG GRAHAM: Okay. So that's one way to skin the cat. The other way is to have an incremental funding clause. And for Steve to change tack, or courses now would be pretty disruptive. It's not impossible but it's pretty disruptive. Does that make sense?

MR. HETTEL: I'm going to take your word for it. I don't understand why it would be disruptive, but if you're doing the incrementing funding clauses, I don't understand the difference between continuing contract authority and that incremental funding clause.

MR. FRITZ: But the two are very similar. Incremental funding and continuing contracts for all argumentative sake, they are the same clause. We've been unsuccessful in continuing contracts clause getting that approved up through OMB because of the threat of not having yearly appropriations for these long-term, long scheduled Civil Works projects.

MG GRAHAM: And we'll let Ms. Brown speak to that.

MR. FRITZ: Yes please.

MG GRAHAM: Before we turn it over to Ms. Brown to talk incremental funding clause, and in general we support that for these large lock projects. But Steve has already built his acquisition strategy off of a base plus option. So, if you could come from the practitioner point of view, the basic contract plus awardable options that you are doing here, and what we're going to assume here from Mr. Lopez on Lock and Dam 25, he's going to play out his acquisition strategy was using the incremental funding clause. Can you compare and contrast those and explain to the Board kind of what the difference is?

MR. FRITZ: So, the difference between the two is with incremental funding clause it allows us to take the money from the trust fund and the federal share, the federal match to that the other 65 percent and spread that peanut butter over all the projects that need to have funding at their capability levels of what they can effectively earn. What they can spend. What they can invest in every single one of those years. The threat to that is that if Congress doesn't -- if we are in a year-long CRA, or even a CRA, if that funding doesn't come, we have to terminate that contract.

I don't want to say we have to terminate it, but that is certainly a risk. We might have to terminate a contract. As opposed to the base plus options contracts scenario when you award a base plus options contract you fund a specific piece of work that finishes something where you don't have to worry about walking away it if that next piece isn't funded.

Incremental funding, you might lose funding halfway through the building of a monolith. An analogy I used it recently was we only had enough money to do half of our roof. We want to do the whole roof so that base plus options contract we would fund the whole roof. Whereas incremental funding we might just get enough to fund a quarter or half of it and waiting for funding for the next half or the next three quarters. Does that answer the question?

MR. HETTEL: I guess I'm a little bit more confused than I was in the beginning of this conversation. The continuing contract authority, I thought that was avoiding you to have to stop and restart, and stop, and restart. Am I wrong on that assumption?

MS. BROWN: No, that's correct. I think one of the major differences between the continuing contract clause and the incremental funding clause is if you do have to stop for some reason who pays the termination fees for the contractor? So that's -- it's more beneficial to use the incremental funding clause because of that. Plus, there's a lot of bad history associated with the continuing contract and that terminology. So, they're essentially the same. There's a couple of differences that are -- that make the incremental funding clause more beneficial to a continuing contract, plus you can talk about it and not conjure up all those bad images.

All that said, Secretary Connor is really committed to trying to get approval within the Administration for us to use that tool of incremental funding judiciously but more than we have been recently. And certainly, last week when we visited Chick and Kentucky (Locks), watching the dance that has to go on and all the contractors and space. And pulling that together just reinforced his desire to use -- to get us permission to use that tool more often.

Now, he's looking for opportunities to do that. I think it's fair to say that these lock and dam projects are prime candidates for that. Having said that, I mean, we certainly don't want to delay anything while we try to get that permission. But he is very committed. He understands the value of that tool and wants to use it more and is working both at the White House and at Office of Management and Budget to get us into a situation where we can use it.

MR. HETTEL: So, with what you stated, is that -- am I correct in stating that OMB supports continuing contract clause?

MS. BROWN: Certainly, I would say not at the staff level. I mean we did recently get permission. The Corps got permission to use it on the EAA down in -- as part of the South Florida Ecosystem Restoration. So, we got that approval a couple of years ago and that was the first time we had gotten approval in decades. So, he's trying to build on that success, and is talking mainly with his counterparts within OMB and at the White House about it.

MR. HETTEL: Well, that's interesting because it's my understanding that both the House and Senate included report language in FY 2024 directing the Administration to continue to use the existing contract authority.

MS. BROWN: That's right. And we have pointed that out. I can tell you at the staff level there was a rejoinder to that about -- something about yes, they included that language, but they didn't rescind the prohibition -- the statutory prohibition against it which I haven't been able to locate. But we did point that out to them. Secretary Connor is well aware that that language exists and he's having conversations because he understands on these big projects it's a good tool to be able to use.

MR. MURPHY: Must be nice to be able to ignore Congress. Just so I'm clear, you the Corps would need permission on a project-by-project basis to use that authority -- it's not available -- once it's granted for the Florida project that doesn't mean it's available for Montgomery or other inland projects?

MG GRAHAM: No, it's on a case- by-case.

MR. MURPHY: Alright. Thank you.

MG GRAHAM: Yes.

MR. FRITZ: So, our intent for Emsworth or Dashields would be to pursue that route if we can get ahead of the Office of Management and Budget and get the authority.

MG GRAHAM: When Steve? We have faith in Ms. Brown. When?

MR. FRITZ: Well, I mean, that's -- when are we going to build Emsworth and Dashields or when are we going -- I can't answer any of those questions, I don't have that crystal ball.

MG GRAHAM: Okay. Montgomery is going to cost us a billion-7.

MR. FRITZ: Yeah. I'll move on now. And that's part of the new cost certification too, so will see a change in the Montgomery number. I don't know if it's going to go up or it's going to go down. But we will see a change in that number based on the new cost certification.

Ongoing construction out of Montgomery so we have the batch plan site development contract. That's on schedule. No issues there. We have another esplanade site development contract that was awarded. That contractor got a little bit behind schedule but our senior leaders, and their senior leaders and the contractor they all met, and that contractor is now mobilized on the site and their performance is much better.

Several of you here attended the Montgomery groundbreaking back in August. Thanks for coming. That was well represented by not only the navigation industry but the local politicians.

So big news. The design package for the Montgomery Lock was turned over to our contracting office on September 25th. So, what that does is that sends the wheels in motion for it -- because it's a big contract there's a lot of contracting reviews that have to happen. It's going to be reviewed by the senior contracting official as well as the head of our contracting authority. So, we are expecting those reviews are going to go well, and we expected that we are going to be advertising for this lock contract in early December 2024 -- or 2023. Sorry, 2023.

And then, we expect to get proposals in the April, May timeframe and we will evaluate those proposals over the course of time, and we will award the contractor to -- we will award the contract to the best offeror there.

Marty, it looks like you have a question.

MR. HETTEL: Well, just so I am clear on this continuing contract authority. If you were to request continuing contract authority on Montgomery that would delay you from putting out the bid to the contractor in December of this year; is that correct?

MR. FRITZ: Yes. Unless we have OMB approval to move forward. That's the big roadblock that I say. If we don't have OMB approval to do that were going to delay that contract bid until we get that approval.

MR. HETTEL: So, if you had OMB approval for continuing clause contract authority it would not delay you putting the bid out?

MR. FRITZ: We would still have some adjustments we would have to make to the existing package that was going to put out for solicitation, but it certainly wouldn't be as long of a delay as waiting for an unknown. That would be a manageable risk.

MR. HETTEL: Okay.

MS. BROWN: So, we would need OMB authority for an incremental funding clause?

MG GRAHAM: Without delaying the award.

MS. BROWN: That's right.

MR. FRITZ: We are advertising.

MS. BROWN: So, it's too late now?

MG GRAHAM: Generally yeah.

MR. SAVAGE: The acquisition process, well, it hasn't gone out for bid, has already started. It started internal to the organization whereby the team develops the acquisition strategy and that gets approved by the senior contracting official. That's already begun. And in fact, it has gotten to the point where the team is finalizing that package and getting ready to put that on the street. They've already done all of their market research, et cetera. They did not include an incremental funding clause or a continuing contract clause.

So, if we got approval today to pursue an incremental funding clause it would delay the award between six months and a year for us to get back to where we are right now.

MG GRAHAM: The difference here is that you're sitting on \$857 million already.

MR. SAVAGE: Yes sir.

MG GRAHAM: Whereas with an incremental funding because you wouldn't be sitting on all that money in all likelihood.

MR. SAVAGE: Right.

MG GRAHAM: Because they're going to cash flow you year-to-year.

MR. SAVAGE: At that point, sir, if I could elaborate more, you said you didn't understand. If you think about obligation versus expenditure, what the incremental funding clause allows us to do is to be a little bit more focused on the expenditure that the contractor needs in the field as they are doing the work. We have our obligation, i.e., receipt of funding from Congress on a cycle that supports the execution in the field.

For instance, General Graham has mentioned we're sitting on \$800 million. Steve is going to award a contract, a base contract that will include some amount up to that -- those funds on hand. We will obligate those dollars against the contract. There is no way any contractor can place that kind of money right away. We all know that. It's going to take years for a contractor to place that base contract.

An incremental funding cause would have allowed us to award a contract much less funding on hand and then, we would need increments of funding on an annual basis that we would then obligate to match that placement in the field. Does that make sense? Still the same amount of money, when you need it is more according to that cash flow that General Graham mentioned.

But there is a cash flow expectation associated with the base and options. And I just want to be real clear with the Board on that. The options, which are not optional, we're tracking that options are just a

contracting term of art. It's not optional features would be need to obligated within a certain period of time. In other words, added to the contract within a certain period of time.

And the District and the Division is contemplating a base award as Steve mentioned in September of 2024 and exercising the preponderance of those options to make a complete, usable facility in FY 2026 and FY 2027. Those are not small options. Those are significant in terms of scope.

When we think about what the trust fund and the federal appropriation dollars we just, Mark took us through, what the income was, it's a substantial portion of the amount of \$300 to \$400 million available in IWTF and construction dollars, to the tune of 50 to 75 percent of the available funding nationwide, would be required to exercise those options on Montgomery in 2026 and 2027.

MG GRAHAM: Which is ---we've got to lay out for you.

MR. SMITH: On the time --

MR. SAVAGE: Under our current assumptions? As Steve indicated we're going to know more about exactly what those options will be once we are in receipt of those proposals.

MR. HETTEL: Alright. So, to end this conversation, just for my knowledge, and to make sure I understand everything. To use a Corps expression, the bottom-line up front is if you were to be awarded the opportunity to use continuing contract authority it would delay the award of the contract by 6 to 12 months; is that what I have heard?

MR. SAVAGE: Yes, sir.

MG GRAHAM: For Montgomery right now.

MR. HETTEL: Okay. Well, I'm all for not delaying projects because as we all know when you delay a project the cost escalates.

MG GRAHAM: And the reason for that is that we were sitting on \$800 million plus right now and were ready to go.

MR. HETTEL: So that probably pertains to the same thing to Lock 25 then because they are sitting on \$732 million.

MG GRAHAM: But he's planned for -- Jose (Lopez) has planned for an incremental funding clause from the beginning. That's the big difference. Steve did -- we were able to say Jose this might be a possibility. Go ahead and plan for this. Steve has said it was so far down the road that we weren't able to. And we will see how this shakes out.

MR. HETTEL: Well sorry to do the deep dive. I just needed to know --

MG GRAHAM: No, no, this is what this forum is for. We appreciate the in-depth discussion because we want you to understand where we are at. This is absolutely going to feed into the Capital Investment Strategy and where you are going here.

MR. SAVAGE: Sir, if you could humor me for one --

MG GRAHAM: Humor you?

MR. SAVAGE: Marty, I appreciate that. We don't want to delay the start. But I think what is even more significant is when you finish. And that has been the conversation we have had internal to the Corps with respect to the use of the IFC and specific to this Montgomery project because of the path we are on with the base and options. All things being equal, it makes sense to start sooner, and you finish sooner. But that is not always the case based on the funding streams. So that's why I offered to the Board the awareness of the requirement in 2026 and 2027. Because what's more significant in my mind is when we finish.

And it makes sense to me right now that we proceed with the path that were on given all the unknowns that we don't really have our arms around. But I just wanted to make sure that everybody has got kind of a full picture.

MR. HETTEL: Well, I appreciate that which means the sooner we can know what those capability numbers are the better off we'll be.

MG GRAHAM: You bet.

MR. HETTEL: Thank you.

MR. FRITZ: Thanks for the lifeline, Mr. Savage.

MG GRAHAM: Why did we start with Steve?

MR. HETTEL: Why is it Marty's project?

MR. FRITZ: So, in September 2024 I expect that we are going to award at least the base of that contract. Depending on what the bids come in at maybe we can award a base and an option or two.

So, coming up on the last couple of slides here. Issues and challenges. We previously reported the risk that we have, the biggest to the entire system is it the system. If a lock goes down and we don't have it recapitalized, then we're in trouble. So, the idea is we need to recapitalize these as quickly as possible to keep the system operational.

To help mitigate the risk of things going wrong at the chambers, we continue to be proactive in our maintenance posture. In fact, right now at Montgomery they are doing maintenance out there right now. They are doing work on valves and miter gates and lockwalls. So, this is in the main chamber. So, in anticipation of closing that auxiliary chamber to build the new chamber, we want to make sure that land chamber as it is now, that primary chamber right now remains operational.

The second risk -- I get all -- sorry. The second risk of course is the inflation and market conditions. We're not going to know the true impact of that until we open bids -- until we award the bids. Those

bids, even though we're going to see those numbers in the April time frame, those are close hold until we get to award. Those are what they call acquisition sensitive.

I already talked about the economic price adjustment clause, and we've already talked about the base and options contract. Just a couple of pictures here real quick. Up at the top, it's hard to see that helicopter there but that helicopter is transferring bundles of trees into what we call the Montgomery Slough. There's not much environmental mitigation we had to do for the Upper Ohio Project for NEPA requirements, but this is one of them. We're building fish habitat in that Montgomery Slough and those trees came directly from the removal of the trees from the batch plant site.

And then the bottom photograph there is of course the groundbreaking there at Montgomery Lock back on August 11th. And I think that concludes my presentation.

Oh, I'm sorry, no; Emsworth and Dashields.

I think the biggest thing with Emsworth is -- we did get the \$77 million for Emsworth. We are focused on the preliminary design aspects of that right now. In fact, next week we're kicking off the design for Emsworth. Some of it has already occurred and we expect to be in full swing with the design in Emsworth in January of this year. We just recently completed the geotechnical evaluations -- not the evaluations but the sampling out in the river at Emsworth, and that will inform our design parameters for our foundations out there.

MR. HETTEL: Steve, Marty here. Is the \$83 million enough to complete the design efforts?

MR. FRITZ: Yes. Yes, it is. We have enough to complete the design. We have enough to get the modeling done. We believe we have enough for the real estate acquisition. The real estate acquisition there is a risk, and I'll talk a little bit about that in a second. I think we're good there. And there might even be enough to do some advance contracts, Marty.

MR. HETTEL: And this is just a hypothetical question for you. If the project isn't supposed to start until 2033, just as we talked about moving money from the MKARNS deepening down to the Three Rivers, does it make any sense at all to use that \$83 million on Dashields now if this project isn't going to start until 2033?

MR. FRITZ: It's a good question from the Pittsburgh District perspective, and I'm not going to speak for the organization. But from the Pittsburgh District perspective, as I mentioned a couple of times it's a system.

So, if we don't have Emsworth designed and it fails because there was money available to build it and we didn't have the design done and we had to delay two years, that's a risk to the system. So, from my perspective I look at it, I want to get those designs in the can for both Emsworth and Dashields so that if money does drop out of the sky we can start building on Day One.

MR. HETTEL: Well, the money certainly isn't going to drop out of the trust fund --

MR. FRITZ: Agreed.

MR. HETTEL: -- because with the increase we see on these ongoing projects over and above the IJA funding is going to take us right now 8 to 9 years of full use of the trust fund to pay for these projects. So, you're not going to get money falling out of the sky from the trust fund for Emsworth.

MR. FRITZ: I agree with that.

MR. HETTEL: Okay.

Mr. FRITZ: So, we're continuing on the path out there to acquire real estate out there, and real estate is a significant risk for us. The real estate, the primary site for a batch plant out there is located on Neville Island which is a highly industrialized area. If we don't get that particular site, there is significant risk to concrete production and delivery. The site that we're looking at was previously contaminated, but it has been remediated. And Ms. Brown, we've already talked with Mr. Pinkham about this in the past that authority to use that particular property would have to come up to your office.

Let me move on to Dashields real quick. There is not a lot that is going on with Dashields right now. We do have a little bit of money there, we're going to start the real estate pieces of that and do some preliminary investigations for the foundation conditions out there at that particular facility.

MR. HETTEL: I want to ask one last question, and I promise. On Dashields, if it's going to cost \$83 million for the design of Emsworth how are you going to cover the design of Dashields with only \$6 million?

MR. FRITZ: Well, I didn't say that it was going to cost \$83 million to design Emsworth. I said that \$83 million was enough to do the design. It was enough to do the real estate, it was enough to maybe do some advance contracts. And so certainly the \$8 million is not sufficient to do a design.

But our design outlook for Emsworth and Dashields is a largely driven by what we've already done for Montgomery. So will see considerable cost savings for our design aspect moving from one to the other. And then we'll -- as Montgomery is being constructed, we will also have lessons learned that we can incorporate into those designs of those future pieces.

MR. HETTEL: I'm going to quit there because I told you I promise this was my last question.

MR. POINTON: Thank you.

MG GRAHAM: Okay let's go over this. The number Steve put out there. Montgomery -- and these are all 600-foot chambers. So, half the size of the main lock chamber. So, Montgomery \$1.7 billion, Emsworth \$2 billion, Dashields, \$2.4 billion. I assume you're just inflating those up for -- you just working inflation?

MR. FRITZ: Yes. And those numbers are going to change.

MG GRAHAM: I understand. I understand these are planning estimates. But that's what the Capital Investment Strategy's going to be dependent upon.

Okay. So, I'll just use Emsworth as kind of the middle Road here. \$2 billion for a 600-foot chamber.

MR. SCOTT HARSHMAN (from the audience): I object.

MG GRAHAM: Yeah.

MR. HARSHMAN: Strenuously.

MG GRAHAM: Yeah. So that's where we're sitting right now. Just so it doesn't surprise you. Alright. Any other questions for Mr. Fritz?

Okay. Next Mark. Thanks Steve.

MR. POINTON: Thanks.

MR. FRITZ: As always, I appreciate the opportunity to go first.

MR. POINTON: I'm drafting the next agenda and I'm putting Lower Mon last. Thanks. I appreciate it, Steve. I know you always have a lot of information about your projects.

Just a quick reminder. If we're asking questions of presenters-- please identify yourself for the record. We all know who's talking, but it doesn't show up to the court reporter or on the record. So that means that Mark goes back and has to listen to it to make sure we get the right attribution to the people who are talking.

So, we have Elizabeth Burks here. She's doubling down like Steve; she gets to do the Chick Lock and the Kentucky Lock presentation. So, Elizabeth.

MS. ELIZABETH BURKS: Yes sir, thank you. Good morning, Major General Graham, Mr. Chairman, Ms. Brown, other distinguished Board members, federal observers, and guests.

Ma'am, I really wanted to share how much we appreciated you and Secretary Connor coming to visit Chickamauga and Kentucky Locks, so thank you.

I also want to thank Steve for warming up the crowd, appreciate that. I am Elizabeth Burks, Integrated Project Chief at the Nashville District and I'll be briefing the Chickamauga Lock and Kentucky Lock.

So, Chickamauga Lock overview. This project is constructing a 110' x 600' lock replacement. It was originally authorized in 2003 and reauthorized in America's Infrastructure Act of 2018. The new lock is required because of the alkali aggregate reaction which threatens the stability and operability of the existing lock. The new lock will reduce transit times by 80 percent. Very significant.

If I can draw your attention to the mid screen with the schedule. The first column contains that the lock operational date and a project completion date with a total project cost summary in 2018. The second column has a current date based on Fiscal Year 2023 certified cost estimate. The Fiscal Year 2023 total project cost summary certified cost is \$954 million. The 902 cost limitation was also updated in that time period and that is now \$1.12 billion.

So, the Chickamauga Lock scope. So, this is an aerial shot of the project with depictions of ongoing contracts. Past contracts are in green, ongoing contracts in yellow, and future contracts in gray. There are two active construction contracts at Chickamauga. The lock chamber contract and the Upstream Approach Wall Contract. The team is actively working the package for the remaining features to execute the Approach Wall and decommissioning contract in Fiscal Year 2024. That contract will make this lock operational.

The project safety here is green, for our bottom-line up-front status dashboard. The project status summary is a red reflecting delays in the lock chamber contract. The original dates were from the 2018 total project cost summary and the current reflects the 2023 total project cost summary. The financial status summary is in yellow indicating they are slightly over in cost and behind schedule.

I draw your attention to the executive summary mid screen and share summaries from each contract. So, the Lock Chamber Contract contractually required completion is November of 2023. The contractor's operational schedule has construction completion in late 2025. And I'll share more about the difference on that later.

Alternate dispute resolution is scheduled for January 2024. There was an alternate dispute resolution, lawyers only, conference back in September. The good news there is we're continuing to communicate. But in January of 2024 we'll have both groups in discussions.

So, the Defense Contracting Audit Agency is also formalizing their report. That's due in November of 2023 and that will help inform the alternate dispute resolution in January of 2024.

Moving on to the Upstream Approach Wall contracts, we've worked through a value engineering proposal, so the contractor is actively on-site drilling shafts and placing concrete. So that's a great -- good news story. And then finally, our future contract, the approach wall decommissioning and site restoration contract; the team is actively reviewing. It will be ready for solicitation in February of 2024 pending funds award in September of 2024.

There are no changes to this slide. It just reflects all the contracts that have been awarded for this project. We're actively working on the seventh and eighth contracts, hoping to award the ninth in FY 24.

Also, no changes to this slide. The latest certified total project cost summary indicates an increase of roughly \$198 million. It added 2-1/2 years to the lock operational date and 3 years to the project completion date.

Our expressed capability is \$237 million to fully fund this project.

The Chickamauga Lock issues and challenges. No real changes to our issues and challenges. The Lock Chamber Contract is significantly behind. The certified claim alleges cost and schedule impacts, so the team is tracking the official contract completion date of November of '23 and an operational construction contract of late 2025. We are also tracking the additional delays to the active construction with either contract, is it being monitored closely as it could affect how quickly the final contractor for the approach walls and decommissioning would be able to initiate full construction on site. So that concludes my update on the Chickamauga Lock pending any questions you may have.

MS. CRYSTAL TAYLOR: Elizabeth, this is Crystal Taylor. I know you spoke about the alternative dispute resolution. Can you just give us a sense of any impact that may have on your timeline as well and the costs and how confident are we at this point that the cost we see here results in completion?

MS. BURKS: Yes, ma'am. Thank you for the question. So, our priority is construction completion. We are working through the alternate dispute resolution to come up with a fair assessment. I think the teams are working towards a settlement. If we are unable to resolve that then it would go to the judge and there would be an order.

The team feels confident with the funds that we have in place that we can execute the project as is. If the judge decided that we owe in excess of what the Government has considered already then there are - there is a possibility that we would need to come back to Congress and this Board for additional funds. Right now, there's no indication that we would need to.

MG GRAHAM: Thanks. So, if I heard that right, 10 contracts, 24 years?

MS. BURKS: Yes, sir.

MG GRAHAM: Okay, again, not something we want to do again. And our two track records today, we've got to do better than this.

MS. BURKS: Yes, sir. Thank you.

MR. POINTON: Okay. Thank you. Move on to your next project?

MS. BURKS: I'll be briefing the Kentucky Lock addition project. Again, an overview for Kentucky Lock. This project is to construct a 110' x 1200' lock addition. It was originally authorized in 1996 and reauthorized in the Water Resources Development Act of 2000.

The existing lock is too small to meet current and future traffic demands without significant delays. Kentucky Lock's delays are among the highest in the country, routinely exceeding 10 hours per vessel. The new lock will essentially eliminate these delays.

Again, drawing your attention to mid-screen to the schedule. The first column contains the lock operational date from the original total project cost summary in 2020. The second column has a current date based on the FY 22 total certified project cost. The Fiscal Year 2022 total project cost summary certified cost is \$1.56 billion which is an increase of \$332 million. The 902 cost limit calculation was also updated. The new amount is \$1.63 billion.

It's important to note that MEGA projects are required to update the total project cost summary every two years. Our next total project cost summary will begin in December of this year with anticipation and certification in March of 2024.

This is the scope for Kentucky Lock. Again, an aerial shot of the project with depictions of past contracts in green, ongoing projects in yellow and future contracts in gray. So, since our last briefing we

were able to fiscally close out two contracts. The downstream cofferdam and the downstream excavation contracts.

After fiscal closeout there were remaining funds that were returned to the Inland Waterways Trust Fund register. That's the \$980,000 that we discussed earlier. We have since committed those funds to mods on our ongoing construction contracts. So those should be obligated in the next four to six weeks.

The active construction contract is for the downstream lock monolith depicted in yellow. It has a construction completion of May 2027. Those that were able to attend the tour in July, that was the active ongoing construction that we saw.

So, the remaining scope for our future contract will include approach walls, electrical and mechanical buildings and bridges, utilities, and the east bank site development. The team is working to develop the contract for these futures. This will make the new lock operational, and that package will be ready for an FY 25 award.

The Kentucky Lock bottom-line up-front status dashboard. The project safety and project status summary are green. I want to mention that for safety, Tuesday the team celebrated 500,000 man hours of no lost time accidents with this contractor so that is significant. Actually, that was a mark on the wall. By the time we physically got on site to celebrate we were at 600,000 hours for no time lost accidents. So, a huge achievement. The team is really proud of their safety record.

So, the project status summary dates there, we have the original which are from the Water Resources Development Act of 2020 reauthorization, and then the current dates are from our certified total project cost summary in Fiscal Year 2022.

Financial status summary shows that our budgeted costs and our actual costs are on track with minimal cost variance. We're slightly ahead of our plan or the budgeted cost for work scheduled.

In summary, since our last meeting, the team has fiscally close out two contracts. Again, there was roughly \$980,000 remaining. That went back to the register and now that has been committed for the new project.

This last ongoing active construction. This particular project will be completed in May of 2027. The last certified total cost project summary performed in the Fiscal Year 2022 identified an additional need for \$332 million dollars to complete the project and the team is developing that contract that will be available for execution -- award and execution in FY 25.

No change to this schedule. Again, reflects incremental funding and ongoing contracts. The active contract right now that we're working on is number 7, and then the final contract will be Number 8.

Kentucky Lock Addition funding summary. Again, no changes here. The latest certified total project cost summary indicates an additional \$332 million. The total -- it also shows that the total cost estimate is \$1.56 billion and that's still below the 902 limit of \$1.63 billion.

The future annual efficient funding stream is shown mid-screen. It reflects the minimum funding needs to execute a base and options scenario. In order to execute one fully funded contract our capability would be roughly \$160 million in FY 25.

And again, there are no real changes for our issues and challenges at Kentucky Lock. The team is focused on developing that final package to make the lock operational. And then, similar to other projects, we're actively monitoring current estimates and any market conditions that can change the estimate. That concludes my update for Kentucky Lock. I'm happy to answer any questions.

MR. JUDD: Ms. Burks, Damon Judd. Three questions for you. I guess having visited the site last week and the Users Board saw the site in July. I was really impressed with the progress that has been made. Do you mind just briefly touching on what you're seeing in terms of concrete placement rates relative to what we need to hit the schedules outlined?

MS. BURKS: Yes sir, thank you for that question. This contractor is ramping up. They've actively been placing concrete for roughly six months. A little slow start as we created that, lessons learned and learning curve, if you will. They were averaging roughly 6,000 cubic yards per month. I'm happy to say that last month and this month they'll actually meet 11,000 cubic yards per month, which is a huge accomplishment, and something that we haven't heard of in the system on a consistent basis. So, everyone is very pleased and hold our breath that we can continue with that on through the winter.

MR. JUDD: And another, I guess the thing that struck me last week. The lockmaster mentioned as part of the tour that you all had seen pretty significant tonnage increases this year as we think about the CIS, there's always this discussion of where are we seeing growth in the system and where are we seeing shrinkage. Do you mind just briefly hitting on what the tonnage expansion has been in some of the things that are contributing to that?

MS. BURKS: Yes sir, thank you for that question. We have seen roughly a 50 percent increase in volumes going through the Kentucky Lock. So that obviously is very significant. Of that volume were seen roughly 45 percent in crude or raw materials that are aggregate, sand, things of that nature. Food is roughly at 10 to 15 percent so that's significant as well.

MR. JUDD: Thank you. And the last question, you mentioned the 2025 capability if you awarded a single contract of \$160 million. It's my understanding that you will need some other things on top of that potentially, but I guess if you think about the \$332 million in the slides, is that implying that if you got a single contract -- enough to fund a single contract award that there's a pretty material upside on -- I'm sorry. The upside been spending less money relative to the \$332 million? Do you mind just framing that for the Board, please?

MS. BURKS: Sure. Thank you. Total project certified cost estimate is the \$1.56 billion. That's where that \$332 million comes from, the deficit between what we have and the total number. So that includes -- and that the 80 percent confidence number and it includes all of the risk that we see with this contract. So, while the \$160 million capability that was expressed to award this final contract is for the contract alone. It doesn't include contingency or labor.

MR. JUDD: Okay. Between \$160 million and \$332 million there would be hopefully, you've got enough to have one final award that would potentially end up with a pretty material amount to

reallocate, understanding things can happen and contingency can get used? Would you agree? Is that a fair assessment?

MS. BURKS: Yes, sir.

MR. JUDD: Thank you.

MG GRAHAM: Alright, I'm going to sound like a broken record here, eight contracts, 28 years. Alright. Let me add all those together here. I'm trying to forget Olmsted.

MR. MURPHY: Please don't add them together.

MG GRAHAM: I won't say it. So, alright. So Lower Mon 20 years. Chick 24 years, Kentucky 28 years. Okay. So right now, Steve Fritz, your schedule to build Montgomery, how many years?

MR. FRITZ: Nine and a half.

MG GRAHAM: Okay. So, we're trying to cut how long it's going to take in half to two-thirds. Okay. That's the task at hand which will ultimately mean we can deliver a reliable modernized system cheaper and faster which is in everybody's best interest.

So, it's held before the Board we've got to think through how did we end up 20 years, 24 years, 28 years? We own a big chunk of that with the Corps and we own that. The pieces where we need the Board's help is just as close to efficient funding and an appetite suppressant on let's not start more than we can efficiently fund.

And I'm going to -- yeah. So, \$2 billion for a lock chamber. Somebody mentioned it earlier is that's nuts. That's what we're seeing. So, we're looking to see what can we do to reduce that without practicing wishful thinking engineering.

We've experimented with building stuff in the wet. Some of that went okay, some of it went horribly wrong. So, if there are innovative ways for us to do this, we're certainly willing to explore those. But we're going to go into that with their eyes wide open. And I think the task at hand here is if we can efficiently fund the stuff that we do start based on your y'all's priorities and just get that stuff done. That's probably the best path forward. I'm happy to hear comments.

MR. MURPHY: I was just going to say that points to the importance of the CIS and getting that updated because that acts as the blueprint and the governor on that and helps us to manage Congress and not – getting ahead of where we all need to be.

MG GRAHAM: Thank you for that. Elizabeth, thank you.

MS. BURKS: Thank you, sir.

MR. POINTON: So, we're going to move over to the Mississippi Valley Division area of responsibility. We've got Matt Coffelt here who is going to cover the 2023 consolidated closure of the Illinois Waterway. Sir.

MR. MATTHEW COFFELT: Yeah, thank you. Good afternoon, Ms. Brown, General Graham, Chairman, members of the Board, everyone.

Definitely excited to be here given that the waterway has been open since October 1st.

MG GRAHAM: Yeah. Good. Yeah.

MR. POINTON: Maybe we should have started here.

MG GRAHAM: Yeah, we probably should have.

MR. COFFELT: Thank you for that. I definitely wasn't as excited when I was told I was going to be briefing here again in the middle of September, given that we still had some hurdles that we had to overcome at that point. But I'm obviously excited today. We could go into the next slide.

So, this has been kind of a long journey here. A really big personal success for me being the lead project manager back in 2016 when we started the planning effort for the Illinois Waterway closures. And I'm really -- back in 2016 we had kind of several different plans that we were looking at we were working with industry and various stakeholders; we were able to come up with a plan that we did implement in 2020. And here in 2023. With that starting in 2016, I'm extremely proud of the team and our District to be able to stand here today and say that we did what we said we were going to do. So, definitely my honor to do that. Not a whole lot here on this slide that is anything different than what you all already know. Move to the next slide, please.

So, Marseilles. This was the site that we only had work during the 2023 closures just by our in-house operations crews. The primary effort there was to get the electrical crossover installed at the floor of the lock and up the walls. That has allowed us to be in position to do a future full electrical system of the lock without having to do any closures. The only closures associated with that future work; the electrical system will be to -- a very short timeframe to change over from the old electrical system to the new system.

The other future work that will take place at Marseilles that we weren't able to accomplish in 2023 is installation of the miter gate machinery. So, we are working to get funding to do that. And that's also something that we believe that we can do with just some restrictions to get through that work and not have to do any long-term closures.

Dresden. Definitely our most challenging site. We had a lot of work at Dresden. We did an entire electrical system replacement. Installed the upper miter gates, and had to adjust that seal, and those new anchorages as part of the electrical system and the miter gate machinery. We also installed new control stands at four locations at the lock there.

And one of the biggest challenges was installing our -- the new valve slots and filling and emptying valves. Those previously were a very small tight area that was really difficult to perform work between where the bulkhead goes and the valve itself. So, we were able to make that a lot larger as part of this closure so future maintenance will be a lot easier.

Dresden was definitely the site that we had some concerns with moving through the closures. But I believe that we did a good job with our weekly email updates and that kind of kept everybody in the loop on how that was progressing, and what the risk was. We did -- at Dresden we did open 12 hours late. We were planning on opening at 6:00 a.m. on October 1, and we weren't able to open until later that evening.

The challenge associated with that is that we ran into some last-minute commissioning problems with the mechanical systems there. We did have a tremendous amount of effort from our Operations and our Engineering and Construction team, working around the clock to get that work completed. An extremely dedicated team. We had to force some people to go home because of the hours that they had worked.

They wanted to stay and see it through, just for safety reasons we had to make those folks go home and swap them out. But again, just the amount of, I think effort that came in from our operations and engineering and construction team working side-by-side with the contractor to work through some of those issues was a great testament to the teamwork of the entire team that was working the project.

So moving on to the next slide, at Brandon Road. This site also opened early. This was a site that we were able to have the majority of our contractors just given the layout of the site, so most of our contractors were located at this site. And similar work to Dresden, we didn't have -- we had some similar commissioning issues kind of running up against the clock there, but we were able to open on time at Brandon Road.

One thing I forgot to mention going back to Dresden, it's been communicated that we still have a lot of work ongoing there. That's not really the case at Brandon Road. The contractor at Brandon Road will be demobilizing here within the next couple of weeks. They don't have a whole lot that they need to wrap up.

The contractor at Dresden, you will see, there is going to be construction activity at that site probably through November as they continue to do the commissioning and work on some other work but not yet completed but doesn't directly impact being able to pass traffic. One of the items that is, I guess a top priority at Dresden is getting the tow haulage units back up and running so that we don't have to use boats to pull the cuts through.

Alright. So, the future plans. I touched on the work that Marseilles with the machinery. That will also have to take place at Starved Rock. That was the work that we had planned to do in 2023 but had to kind of a change of plans in there due to funding. But as I mentioned we are looking at being able to do that work in the future with just restrictions as opposed to any sort of long-term closure.

The Lockport vertical lift gates, that is Chicago District now. We are still involved in helping, and that fabrication contract, those gates are planned to be delivered in the fall of next year. So, the installation of those will be coordinated as we get closer to that. That is a lot shorter duration closure that will be needed to install those gates. And then, the other two, I don't really have a crystal ball on what I can say about the major rehab at T.J. O'Brien, or with the BRIP (Brandon Road Interbasin Project) project. We're still working through getting a PPA (Project Partnership Agreement) signed with the sponsor on the Brandon Road project. So, we don't have a lot of fidelity on exactly what that schedule will look

like. We are getting closer to that PPA, so hopeful that we will be able to lay all that out here, hopefully in the next few months.

The one thing I will say about all of that is with any closures that we've done on the Illinois, we will definitely do our best to try to align any of that work, provided the funding and the status of Brandon Road kind of moves forward along the same timeline.

So that's all I have for today unless there is any questions.

MR. MURPHY: This is Spencer Murphy. Just one, thank you. Great job. We really appreciate it. As you said, you did what you were -- you did what you said you were going to do. And we really appreciate it. I can tell you our company we -- and we had a lot of floating storage above the closure and we estimated that we were storing the equivalent of about 30,000 truckloads of material liquid and dry, and so when you think about that impact to the region, that's pretty impactful. So great job.

MR. COFFELT: Thank you.

MR. MURPHY: A question on the Brandon Road Interbasin Study. One, I would note that the carp haven't moved since 2009 when this emergency was first declared. But putting that to the side, the design is not complete is what I heard you say, so we don't know whether there will be a full closure for that work, or do we think there will be?

MR. COFFELT: That's correct. So, design is not complete, so I expect when we get -- and that project was phased to have different, I guess features constructed at different times. And so those features will have varying impacts on navigation. But the one that is going to have the biggest impact is when we do have to do work on the lock, the flushing lock part of that project.

So, I don't really know exactly what that will look like because as of right now it's about a five percent design. And so, they're still trying to work through things that they can do to minimize. That's obviously our goal is to minimize any amount of closure that is needed to do that project. So, I don't have a better answer than that at this point in time.

MR. HETTEL: Matt, Marty Hettel here. The Lockport vertical liftgates upstream, does that required dewatering?

MR. COFFELT: It does not.

MR. HETTEL: Okay.

MR. COFFELT: Well, I don't believe it does. If it -- we were able to do previously when we had to install one of those liftgates we were able to do that, I believe, in less than two weeks. But I think at that point in time we did do a dewatering. I'll have to check. I'm not entirely sure if that dewatering was specific to install the gate, or if we took the opportunity to check a few other things. I don't know.

MR. HETTEL: Yeah, I believe I remember that. I think it was just to check on other things.

MR. COFFELT: That's what I believe.

MR. HETTEL: If you're just doing the installation that's a two-piece liftgate, right, you're building for Lockport?

MR. COFFELT: I believe it's all one.

MR. HETTEL: Is it?

MR. COFFELT: Yeah.

MR. HETTEL: So how long would that take to install to pull the old one out and put the new one in? Is that a two-week closure?

MR. COFFELT: Two-weeks is kind of what we're communicating as the maximum duration. I would expect since we have experience -- recent experience in doing that I think that we could do it in a lot less than that.

MR. HETTEL: Yeah, and the miter gates aren't going to be what, completed until next year; is that right?

MR. COFFELT: That is correct.

MR. HETTEL: The liftgates?

MR. COFFELT: That is correct. They are scheduled for delivery in the fall of 2024, so I don't expect that work to take place any sooner than probably the spring or summer of 2025.

MR. HETTEL: Yeah, we need to stay away from harvest time.

MR. COFFELT: Yes, absolutely.

MR. HETTEL: Alright. Thank you.

MG GRAHAM: I don't think I talked to the Board about -- I took Matt's boss and sent him to Maui? Did I tell you all that? So, we took Colonel Curry and the Rock Island Commander because FEMA gave us the mission to do the debris removal after Lahaina burned down. And so never answer the phone on an idle Saturday and we called Colonel Curry, on an idle Saturday and said pack your bags. We want you to take over this mission. And so, he's been out there since mid-summer, since the tragedy and we probably will bring him back until the holidays, if not later.

And we were able to do that because we knew the Rock Island team could get this thing done. So Matt, I just want to give you a coin and say thanks.

MR. COFFELT: Oh. Any other questions? I'll make one last statement. The link on there was the closures page, I meant to take that off because we will be transitioning away from that. We might reactivate that when we get closer to some of the other work, but we will be getting rid of that update page that we utilized over the last two years. So anyway, thank you.

MR. POINTON: Thanks, Matt. Moving on to the NESP, the Navigation and Ecosystem Sustainability Program for the Upper Mississippi River and Illinois Waterway. I think we've got the tag team of Andrew Goodall and Jose Lopez from St. Louis, and Andrew from Rock Island. So, take it away, sir.

MR. ANDREW GOODALL: Yes sir. Thank you, Mark. General Graham, Chairman Murphy, Ms. Brown, federal observers, and chair-people. Thank you very much for the opportunity, as always, to talk our favorite program with NESP. So, for the record, my name is Andrew Goodall. I am the NESP Regional Program Manager in the Rock Island District. And I'll start off today and then will switch immediately over to Jose, so I'll introduce Jose quickly.

MR. JOSE LOPEZ: Hey. Good afternoon. Ms. Brown, General Graham, members of the Board. My name is Jose Lopez and I am the Project Manager for Lock and Dam 25.

So excited to brief you guys on the status for Lock and Dam 25. I know Steve is out, but I want to thank him for answering all the difficult questions on continuing contracts. So anyway.

So, Lock and Dam 25, nothing much that's new here. I kind of want to highlight a couple of things that have been teased out by Major General Graham a couple of times. Schedule, a lot of assumptions are built into that. So, our lock operational date of 2034, and also our fiscal completion date, cost. I've been pretty cagey about cost for the last few months because we are in procurement. I will be able to provide some input and some updates based on some interactions I've had with our contracting folks and our legal counsel. And so, I'll get into those as we kind of move along. But I'm happy to address your questions as we go through so I know there will be more.

Scope of the project, as you all know, we are building a brand-new 1200-foot lock chamber directly adjacent to the existing 600-foot facility. Again, one of the biggest things that we are trying to overcome and one of the challenges is ensuring that we maintain the reliability of the system, ensuring that we minimize those impacts, and we maximize predictability.

In contrast to a lot of the other inland nav projects we have over here this is one of the only ones where we're actually extending the existing wall in order to complete the facility. And so that brings with it a lot of challenges to making sure that we don't impact the users as much.

And that is actually one of the reasons our method of delivery has been -- I know Major General Graham talked a little bit before, is this IDaC (Integrated Design and Construction) methodology. That's going to allow us to get the contractor involved early in the design phase because we are still early in the design phase, roughly around 30 percent right now.

And it will allow us to get together with that contractor and coordinate how we're going to sequence the construction of that intermediate wall so that we can minimize those impacts then again, maximize predictability. It's about investing upfront in planning efforts. It's about bringing the right people at the table that you can have those kind of collaborative engagements to make sure that we construct that efficiently but also taking into account the existing operations of the project.

Status dashboard. As far as safety is concerned, no lost time accidents. I'll highlight that we do have ongoing construction back in September 2022, we awarded one of the first ever construction contract

under the NESP authority. I will also highlight that within the next couple of weeks were probably going to do the first concrete placement ever under the NESP authority with that Phase 1 contract. So, something there to kind of take stock of.

As far as status on the financials centered around the schedules side, also green. Mostly the schedule is, right now driven by design because we are in the design phase. So, we are tracking EVM (Earned Value Management) on the design phase and we are on schedule. We are heavily into our review phase and reviews are deliberate because quality is important. And so, reviews tend to slow up the process a little bit as you have external folks looking over your shoulder making sure your designs are appropriate. But we are on schedule on the design phase.

And so that 35 percent is scheduled to kind of close out by the November timeframe. And we'll swiftly move into progressing the design to 65 percent. And on the financial side, again, we are tracking the EVM on the design. We are slightly under budget on the design phase so kudos to the team.

And I'll highlight that I did bring Bryan Dirks along from the INDC (Inland Navigation Design Center), he is my tech lead. And then our battle buddies on this, and I earlier alluded to this being somewhat of a tamer meeting and then we had the discussions on the continuing contracts clause, so he is fully ready now. But anyway, that is tongue-in-cheek.

MG GRAHAM: Can you explain to the Board what an INDC is and what it does?

MR. LOPEZ: Yes sir. So, the Inland Navigation Design Center, and I might be on the hook for doughnuts and there, but the Inland Navigation Design Center is the national center of expertise for inland navigation design. So, it's a mechanism and a structure that was put in place to pool the best and the brightest talent that has that expertise, that has lived the Charlerois, has lived the Kentuckys on the design side and all of that so that we can efficiently and effectively implement those lessons learned as we start NESP and start Upper Ohio. And so on and so forth.

And I will say that in practice, and I've seen this with my own eyes, it is working. I mean the coordination that occurs between Bryan and some of the other technical leads on some of the other projects, like Upper Ohio, Soo even is incredible. And at the grass roots level we're talking -- we're exchanging ideas and learning those lessons. So, I think in practice and that hasn't really been a sort of a victory as far as standing up a center like that.

MG GRAHAM: So, the Districts can be little independent fiefdoms on their own but a given District might not design a lock but once every 20 years. And so, we wanted to say well, that's not enough reps and sets to get really good at this, or past lessons learned as Jose said. So that's what the Inland Nav Design Center is built to do. So, thank you for that.

MR. LOPEZ: Appreciate the question, sir. So again --

MG GRAHAM: And you owe us a box of donuts by the way.

MR. LOPEZ: I'm sorry, sir?

MG GRAHAM: That is a box of donuts, by the way.

MR. LOPEZ: Yeah, I recognize. But I've been doing so good. This is my fourth one and I fell into the acronym trap.

So, I hit on financials, at the end of this update on the procurement, but I'm going to hit on some other things that we are tracking as well. Some kind of big things here for FY 24. The biggest thing we've got going is our bulkhead supply contract. So, in order to build this project, we are going to require about 20 or so bulkheads so that we can unwater the lock once we get the walls built, and so we can finish the lock and install HSS, hydraulic steel structures, and some of the other appurtenant features.

So that is a long lead time items from a steel fabrication standpoint so we're trying to pull -- we're pulling that out and procuring it on our own, on its own rather and that is something that we are scheduled to award in March of 2024. I will say that the plans and specs for that were approved so we went through the quality process for that and INDC as the designer of record has kind of signed off on those. So, we have started the procurement process on that.

We've also started the title work and boundary surveys with some of the real estate acquisition process. Again, trying to get ahead of some of those long lead time items. Real estate, fabrication of steel. And I'll say most of that real estate that we are pursuing upfront is for temporary construction easements, staging areas, and things like that, but certainly something that we kind of need to get after because we don't want it to be the oops.

So those are things that we are working. There's a couple of other items and I'm not necessarily going to dive into too much. But we are looking at, hey, what are ways that we can have severable pieces and accelerate those because they're easy to kind of pull off and design and award and get those moving.

And then, the last bullet, as I mentioned, Phase 1 was awarded back in September, we are gearing up for the first concrete placement in the next few weeks. So that's kind of the run down. I will kind of talk about the procurement now a little bit. And I will caveat that we are in procurement. There are -- I have to be careful what I say, and I've talked to our legal counsel and our contracting office to make sure kind of my talking points are within the white lines.

So, we received bids for our IDaC procurement on 29 September. The bids are indicative of what we are terming a healthy competitive environment. So, we're very happy about that and the team deserves a lot of credit for building up the industry through market research and through industry engagements. And when I say industry, I'm talking construction industry in this context, but of getting contractors excited about this. So that's a success story there.

The other thing I'll say is the bids have validated what our certified project cost from June of this past year was so good and bad news. So, the market and our estimates are lining up. But that also has validated the fact that the \$732 million that we received from BIL is not enough to complete the project.

So that highlighted the fact that we have a shortfall, so we are starting the process, or have started the process, rather, to seek that continuing contracts approval through the chain. And it has been discussed at that OMB ultimately has that say. We have a business case that we have to put together that highlights why it's a good idea for our procurement.

And I will highlight that there are nuances between us and Upper Ohio and Montgomery, so just want to make sure that there's a little bit of separation when we talk about them together as far as that them not requesting it and us requesting it and things like that. But we are requesting it. I'm not trying to preempt Ms. Brown's question.

In our business case we are asking for that continuing contracts to be approved by the end of the calendar year. The reason for that is that it would allow us to stay on schedule as far as our procurement process. We initially establish a schedule. We wanted this awarded by the spring of 2024, and so allowing us to go through the mechanisms of changing and including it in there. If we get it by the end of the calendar year it would help us reduce some of that schedule slip of risk.

I will say that there are still opportunities to go beyond that. So, if we don't get it by the end of the calendar year does the whole thing goes away? No. There is still benefits that we would obtain if the approval is received later. But the only thing that does is it delays our ability to get the contractor involved early.

And as we are moving the design along you start to see where you could potentially you lose a little bit of value. So, some of that is laid out in our business case just to kind of drive the point home that there is still some benefit out there.

I will say we are also in the planning stages insofar as if we don't receive approval what do we do. So, plan B, C, et cetera and we have those plans. We're working through what does that look like? And the answer is it looks very similar to base plus options. Similar to what Montgomery is pursuing. It also possibly looks like multiple contracts.

And as been highlighted a couple of times I've heard that's not a good way of doing business, or different types of monikers, and so that's where we're at. So, I just want that to be kind of a point of awareness that it is a scenario that we find ourselves in. I also don't want to say that continuing contracts is a panacea, meaning it is not a cure-all. It does help us because it allows us to not constrain the contractor as much when it comes to funding.

And because we're doing IDaC during the design that will be able to work with us on what the most efficient construction schedule could be, and what the associated financial outlays of that construction schedule should be. And so that can help inform how we budget for follow on slugs of money under the continuing contract paradigm.

So yeah. I'll pause there. I said a lot. But I wanted to provide an update on the procurement and I'm happy to try and answer any other questions related to that insofar as I can and not violate the Procurement Integrity Act, which I've been hit over the head with it a couple of times. So, I'll pause there.

Steve really did knock it out for me. I see Mr. Webb.

MR. WEBB: I've just got one question. So, to get that approval does anybody care to handicap –

MG GRAHAM : Mr. Connor can get that.

MR. WEBB: (Indiscernible) ...to get the approval?

MS. BROWN: I mean I think there's a decent chance. I mean as I said before, there's interest at the White House within the infrastructure team to get us the ability to use these tools. I will say that I've been told that -- I know for fact -- so the last one that we got approved it was approved at the Director level in OMB. So, I mean it is -- you have to go pretty high to get it. But great faith in Secretary Connor. And I mean he really supports this and he is looking for opportunities to advance it, like I said before, that aren't going to adversely impact schedule.

So, this certainly sounds like it fits the bill, whereas Montgomery it sounds like were too late and maybe there's some others that we can try to advance as well. So, I mean it's hard to predict anything in Washington these days. So, I wouldn't hazard a guess. But he is committed and he's, I think well-positioned to have these conversations.

MR. LOPEZ: Thank you, ma'am. And thanks for the questions. So, before I move on to the next slide. I'll just highlight that because of the fact that we didn't receive bids how they are, we are sort of in a pause of the procurement until we receive that authority or otherwise. But we are still moving on with the design as I've mentioned before. And then the other aspect of it is that again, our delivery method is IDaC for a reason.

We're not just trying to be, my words, cute with it. It is critical for us to have the ability to integrate the contractor in the design so that we can coordinate with you guys, with the users during the design and make sure that we do our best to minimize those impacts and maximize predictability. So again, there is very much nuance of this project. So, I'll just kind of leave it at that with regards to IDaC and the procurement.

I'll go to the next slide, and I might have already preempted it with some of the discussion. This slide really hasn't changed much since the last few Board meetings. Obviously, the yellow line has moved to the right a little bit because time has passed, and we are -- we have moved through some of the design phases.

Again, our schedule, if everything remains constant, is that we would award the preconstruction services in 2024. Obviously, assuming we have continuing contracts and that we would then exercise the construction option in 2026, once we completed the design and move on from there, from a construction standpoint.

I highlighted this before but pivoting and going to plan B, plan C that changes the basic underlying assumptions that are built into our schedule and our cost estimates. When we do cost estimates on these large projects, we look at construction schedules very, very closely. So, you add a year, your adding escalation. So those are things to consider there. I know that most and all are probably well-versed in that. But anyway, just thought I'd highlight it.

Funding summary really hasn't changed. \$732 million is what was received from the Bipartisan Infrastructure Law. So, nothing new to report there.

Challenges, or issues. I've already highlighted the Phase 1. Everything is moving along. I talked about the impacts to navigation and how important it is that we are able to coordinate with the contractor

early. And then also, just highlighting the continued threat of higher than sort of normal, and I'm using air quotes on what's normal, but higher than sort of normal inflation levels.

Now in our project cost we do have contingency items to account for some of that, and as I mentioned before, our bids did validate a lot of our total project cost. So, some of the risks that we were forecasting are aligning with some of the risk that the contractors are forecasting and that's how we find ourselves kind of in line with them.

And so here are just some images of the construction that's going on in Phase 1. Like I said, we are getting ready to place the first few lifts of concrete. Just the image on the right, workers -- and I've confirmed that that gentleman is safely tethered, it's just hard to see the tether, but he is safely tethered because that is a large cofferbox that he's standing in. But they are just cutting concrete blocks out to fill in those miter gate recess and those floating mooring bits that we're fixing to put in.

And then on the left, just a zoomed-out image of the floating plant work, out there. I think that is my last slide, yeah. Marty is getting ready to aim and fire.

MR. HETTEL: Just a quick question. Marty here, Jose.

You stated that the bids are coming in in alignment with what you think the cost for this project is going to be. My question for you, is the contractor in alignment with what you think the completion of this contract will be?

MR. LOPEZ: Yeah, so that's a great question. Typically, on a firm fixed price contract you basically put the period of performance out up front, so you tell them you need to do this work in this amount of time and so that -- the cost gets baked in there.

In this situation because the construction item is an optional item and because the design is not complete, we are a little bit open ended on the end date. Now, what I will say is in the preconstruction services scope we do highlight hey, this is the assumptions that we are making with regard to project costs, and these are the assumptions and that you should be making with regard to project schedule so that we are talking apples to apples when we do enter into a negotiation with the contractor or when we do get into bid evaluation. So, my answer to your question in short is yes, there is alignment.

MG GRAHAM: So just a little context. We don't want to take 25 years to have the cost triple. So, what can we do? Coming back to the picture of Steve Fritz hanging in the monolith in there. Steve's gone. Linking the Campbell Transportation folks, we went out, took Mr. Connor on the river, on the Ohio, the Upper Ohio. I think we went through New Cumberland. And so took a Campbell towboat and barges down and came back up through.

And where the barges were tied off was an old lock chamber before we built New Cumberland. And you all live on the river. You will see the remnants as we evolve this system. But Jose has got to do is a lot harder than when we built New Cumberland because that was a green field site, brand-new. And we were able to do that kind of probably two sections of cofferdams build one half, let the river keep flowing, build the other half.

And this is renovating an old house while everybody is living in it. It's the challenges going on. You saw it at Chickamauga. You saw it in Kentucky. Mr. Connor, that's why we really wanted him down in Kentucky with Ms. Brown last week was to see that in action because that is the future. What we're asking, this is really hard because we don't want to impinge navigation. And nowhere is that going to be harder than that lower wall at Lock and Dam 25.

So, we're looking without practicing fairytale engineering, what can we do to efficiently deliver these projects? One, we've consolidated the engineering. So, we've learning lessons and we're baking that into the team delivering it. We are taking a look at, like what Jose just laid out to the Board is how about we bring the person who is going to build this onboard while we're designing? That's the integrated design and construction.

So, the person that is going to build it, because this is really hard because somebody could design this in a vacuum and say wait a minute, I can't really build this. Boats can't get past where I'm going to put my crane. So that's what the plan is.

Now to do that, the way that is scheduled inside a contract to help put the design -- bring the person who might build it onboard while we're designing it. There's an option point out there. And that option point is give you the option to you help design it and, and then we are going to have you build it. Okay.

To put that option on the table there has to be some certainty that we can actually award that option. And that's where the incremental funding clause comes into effect so that these two we think, a potentially better way to build this, we're bringing the contractor who is going to build it onboard early. But we also have to contractually say that when we put that IDaC contract out, bring that builder on during the design to leverage their good ideas, their understanding that there is some assurances that we will actually award that you can build it option. And that way, the way we make those assurances is with an incremental funding clause. So that's how the tour went. This can get confusing. Ms. Brown, did I get that right?

MS. BROWN: You did.

MG GRAHAM: Jose, did I get that right?

MR. LOPEZ: Yes, sir. You said it way better than I could of.

MG GRAHAM: Alright. So that you're here, I'm going to throw an acronym soup out here. You did a good job of not falling into the trap. IDaC, IFC.

So, the method we are going to build it is bringing in the contractor who is actually going to be out on the water to help us design this. And that's tied to the incremental funding clause, how it's going to get funded. So how we are going to build it is tied to how we are going to fund it. That's why because we wanted to leverage the skills and knowledge of the person who is going to build this early. That's why we're tying this to how were going to fund it. And that is the fight that Mr. Connor is fighting for us right now. Okay. Try to explain it in my best English. What can we answer for you? We think this is a better way.

MR. JUDD: Sir, Damon Judd. Question, would it be helpful as we think about trying to get this done by December to have the Board by a formal motion on this recommendation?

MG GRAHAM: That would be great.

MR. JUDD: Integrated contracts for --

MG GRAHAM: Integrated Design and Construction.

MR. JUDD: I mean, I'm sorry the incremental funding.

MG GRAHAM: And tie in the incremental funding part.

MR. JUDD: Alright. Let me try to spit this out. I propose a motion from the Board strongly encouraging the receipt of approval to use incremental funding on this project in the spirit of avoiding unnecessary delays to the timeline, unnecessary increases in cost, and unnecessary increases in risk of executing the contract.

MR. MURPHY: Second.

MR. POINTON: All in favor?

ALL MEMBERS: Aye.

MR. POINTON: Any nays? (None.) The motion moves. You and I are talking after, so I get that written down properly.

MG GRAHAM: You didn't write fast enough.

MR. JUDD: I didn't type it up with Marty.

MR. POINTON: I think I got the gist of it. Put it in the chat.

MG GRAHAM: You can thank Steve Fritz later for --

MR. LOPEZ: I already did, sir. But I will thank him again. Yeah. Okay. Thank you very much. I'll turn it over to Andrew.

MG GRAHAM: Thanks, Jose.

MR. POINTON: Thanks, Jose. Andrew, take it away.

MR. GOODALL: Absolutely. Thank you, sir. And thank you, Jose. Thanks for the coordination on the continuing contracts clause. We appreciate that very much. And it is very important for the NESP program, with the size of the program and how many projects getting off on the right foot, so thank you for that.

I'll touch a little bit more on LaGrange today. So, this slide is pretty much the same as the last time we briefed down in Paducah. One of the due outs from that meeting for me was the cost estimate. So, we have the architect engineer under contract right now for 100 percent design which I will also go through here in just a minute.

The comprehensive cost estimate, so what that means for us is we are building the cost for the project as the design continues. As a reminder, that design is currently at about a 5 to 10 percent level, and as the features get identified in design, we develop associated costs and that all gets compiled. And that compilation, if you will, of that cost estimate is beginning in March of 2024, here this upcoming spring. From there, will go into having a cost certification, very similar to Lock 25 and some of the other inland nav projects but that is the starting point, spring of 2024.

Okay just a very quick overview again on the scope. No change here, no ongoing construction at LaGrange, again, just showing the location of the lock, where it is in relation to the existing 600-foot lock. Going to some other details here in just a minute.

Okay. Current dashboard. We always ensure working with our friends at the Engineer Research Development Center, otherwise known as ERDC, I've gotten rid of the acronyms completely. I have learned. So, we have our -- in the next point for us to work with the nav industry and also with the construction industry to visit the physical model is scheduled for February of 2024.

We are coordinating that primarily with the Illinois River Carriers Association. It has been very beneficial thus far. That physical model has been integral for us to ensure those approaches are appropriately configured. As the design is very early on, the design can be modified pretty easily still at this point. And we have made some changes based on feedback from the pilots that have been down at those meetings. So, the next point for that is February of 2024.

So, as I briefed at previous meetings, we have been awarded a \$20.3 million task order in Fiscal Year 2022. That is ongoing and that will get us to approximately a 35 percent design, what that includes, or allows your site investigation work, your hydraulic modeling, your site survey, and then real estate documentation along with that initial design.

And then continuing on the theme of doing what we said we would do we received \$49.3 million in Congressionally directed spending in FY 23. We successfully awarded a task order to get LaGrange's designed 100 percent completed. That task order was awarded on schedule, the last week of the fiscal year, here a few weeks ago. That does include all project design features for the project. And we anticipate at that point with that schedule that the design will be completed in calendar year 2025. And we are awaiting construction funding. But I will say in conjunction with the final design is that we have separate packages that are being developed. And what that means to us is, for example, the approach channels will be their own construction package. The lockwalls will be their own construction package and machine re-fabrication, its own package. So, there are two packages that will be ready this current fiscal year, Fiscal Year 2024 for construction award pending appropriations and construction funding for the project.

That contractor has advanced those packages and will continue to do so to move them forward to ensure they are ready when the appropriations do arrive.

And then acquisition strategy development. So, I briefed last meeting that we are working through the acquisition strategies on how we're going to contract the project. Different from Lock 25, of course they are both in the same program but the styles for how we administer and how we solicit these contracts are different.

It was resounding from the contractor industry that the project would not benefit as much from early contractor involvement in this case because it is more traditional construction methodologies. It's in the dry. It won't impact navigation until the very last phase of the project when we are constructing the approach channels. And even then, we don't anticipate major impacts in navigation there either.

So that project, LaGrange, at this point we anticipate moving forward with the traditional design-bid-build in multiple design packages. At this point, probably six to seven packages for how that project is structured. And again, we will continue to bring construction contractor industry in. If there is any changes to that we will adjust accordingly. But at this time, that's the direction we're moving out.

Okay. I just to show a quick video. You can see this is a really good example as it slowly moves across the screen here of the approach, the downbound approach to the chamber. I just wanted to show it because it's kind of a cool little -- this is an overview at the physical model at ERDC. And as you can see, even just down on the image there, how we had modified that approach channel to accommodate -- it's actually -- it accommodates it more as the tows are heading upstream as they are able to kick out and then head back into the nav channel. But it gives a good idea of -- when I talk physical models this is what we mean with a physical model. That gives us a great opportunity to see the real, or as close to real as possible and we can make associated adjustments as well.

Okay. That's all I have for LaGrange today. And then also Lock 25 with Jose. So, any questions?

MR. WEBB: Thanks Andrew. This is Jeff. Just two projects that couldn't be more different. I mean one that navigation is going to be right there and the other one is going to be in the dry? LaGrange, best guess, how long do you think that construction will take on LaGrange?

MR. GOODALL: Yeah, sure. Jeff, we anticipate construction for LaGrange in that six-year range because it is unimpeded from the -- either interfering with navigation or, of course, working in the wet. So that is the anticipated time frame right now. That continues to be worked as we develop our cost estimate. The schedule will also be developed as we move forward.

But that is our estimate at this point in time. Very much a draft estimate I would say.

MR. POINTON: Any other questions for Andrew? Or for Jose? While we've got them captured in the back?

MG GRAHAM: Let me just throw out what I appreciate in the dialog here today. The new start on LaGrange, where did it come from?

MR. GOODALL: So, sir, the new start for the overall program came from Lock 25. And it was in Fiscal Year 2023.

MG GRAHAM: So, it was programmatic?

MR. GOODALL: That's correct.

MG GRAHAM: To start LaGrange for -- you made that decision?

MR. GOODALL: To start the design on LaGrange?

MG GRAHAM: Yeah.

MR. GOODALL: That was collectively discussed here, and then ultimately put in our priorities, sir, back a few years ago now with that funding.

MG GRAHAM: Okay. So, it was a Board priority? Okay. Thank you. When we take a look at the Capital Investment Strategy and when we lay out -- I'm just going to throw this was a 1200-foot chamber, correct?

MR. GOODALL: Yes. Yes sir.

MG GRAHAM: All throughout the number of \$2 billion here, as much as that is something we wish to avoid. As far as putting the investment strategy together we've just got to be mindful of that. We've got a lot of stuff started here.

MR. GOODALL: Understood. Thank you, Sir.

MG GRAHAM: Thank you.

MR. POINTON: Okay. Thanks everyone. Moving on to another Division, the Southwestern Division. We've got Orlando here to talk about the Gulf Intracoastal Waterway, Brazos River Floodgates westside, the status of that. And also, the Three Rivers, yeah, McClellan-Kerr Arkansas River Navigation System, MKARNS Three Rivers. We've got Jonathan here from Little Rock.

Orlando.

MR. ORLANDO RAMOS-GINES: Thank you, sir. Major Graham, Ms. Brown, Mr. Murphy, Senior Leaders and Board members. I'm glad to be here. Your last meeting occurred during my vacation but I'm here again. I'd love to brief you on the status of my project.

Just a review of the important, local, state, and national importance of these projects. This is the Gulf Intracoastal Waterway – it is a high use waterway. It has a vital strategy for our inland navigation industry. This project is within the Administration priorities. It means an upgrade to the infrastructure needed. The facilities were constructed in 1940s so they are really outdated. It is time now to replace this whole facility.

Replacing the facility will increase navigation industry efficiency and increase safety. In the feasibility phase it was estimated that the impact to the industry is more than \$10 million per year. And that's 2019 cost estimate, I would imagine that is a much higher these days with the heavier increases.

We have maintained a partnership therefore with GICA (Gulf Intracoastal Canal Association) captains throughout the design. We have kept our local stakeholders informed; our national stakeholder informed on progress. This project has a high benefit cost ratio. What is presented here is the benefit-cost ratio as estimated based on their last economic update which included higher pricing. So, if you remember the benefit-cost ratio went from 5 to now for the system to 1.24 for the system. Brazos River Floodgates continue to be the higher benefit-cost ratio for this system -- on this project.

We are a Category 2 project. That means that we are authorized, and we are waiting construction funds.

So, this is our status, and this is good news for everybody. For all our work quality assurance review of the final design package have been completed. Over 1000 questions, technical questions have to be addressed by the team. We did achieve the agency technical review certification originally. That's a big milestone. That's an external to the Galveston District and INDC -- look at the design for quality aspects. So, we have achieved, like I said, technical review.

And we have received the final AE submittal for the design recently from the contractor. So, the bottom line is that we're ready to award a contract. We're ready to use the design to modify it and repackage into a smaller contract as has been discussed before to including only the west side. Having a complete design that has been fully reviewed and certified give us the edge to go quickly with the west side smaller contract if needed.

I heard the discussion that we have talked about the most constant cost estimate. We should have the most recent cost certification by end of this year at the latest, it will be by March next year, but we're going to have a full project that's including the Colorado River Locks component cost estimate certification.

Just as a reminder if we go with a west side-only contract these other features will be included in that contract. We're going to have included a placement area levee raise work and also improvement to make that placement area more effectively to handle the dredge material can be placed on that.

The second component is the west side channel. That's the main component of the project is to realign the channel that improves navigation safety and efficiency by eliminating the western lock at this facility. We are required to do some modifications on the west side of the mitigation areas and we're going to include that in the contract in relation to the channel realignment. And the demolition again of the west side structure and by doing that we will be providing early benefits to the industry that use the system.

When I spoke with Mr. Woodruff recently, before this presentation he had asked about more refinement on the schedule as was discussed before. Generally speaking, this is our attempt to communicate to you all how the schedule looks like for this project. And again, this is only the west side-only features. So, once we receive the funding, we quickly moved to issue a task order with a contractor, the designer. We have placed it the current designer under a suspension of work. We are using all the contracting tools available to help move faster into implementing this project. So, we have maintained that contractor under a suspension as soon as we receive funding we will get going with the contractor. The next phase will be three months left of design repackaging. That's essentially receiving the design repackage for the contractors, since we are calling the feature the west side-only features. They have

submitted that on to us for review, making sure that everything is okay, together with specification for the contract and from that point we certified that the design repackage and work through solicitation.

Our estimate is about four months to get that contract in place and then for advertisement to award. And from that point forward after award we get to construction. Essentially two-and-a-half years for this contract. So, I think that's my briefing today pending any questions.

MG GRAHAM: I know Mr. Woodruff isn't here so Spencer?

MR. MURPHY: Mr. Woodruff isn't here but I'm pretty confident if he was here, he would want to point out that the west side project estimated cost is well within the \$113 million that is available for infrastructure funds for our system. And so, we are looking for opportunities to attend some ribbon cuttings instead of -- yeah, getting the project started. This is a great opportunity.

MG GRAHAM: Roger.

MR. RAMOS-GINES: And I was going to play this one, but just in case I got my optional read out. Thank you, Mr. Pointon for getting to this. I got my Amazon, just in case.

MR. POINTON: Yeah, you can't contract dredging through Amazon. You know that?

Thank you. Nice work. Alright. We're going to move on to Jonathan Gillip from Little Rock District and he is going to talk about the MKARNS Three Rivers project. Sir.

MR. JONATHAN GILLIP: Good afternoon, Ms. Brown, General Graham, Chairman Murphy, members of the Board and federal observers. I thank you for the opportunity to update the MKARNS Three Rivers project. I would point out that on this introductory slide, the aerial photo there, the ground has indeed been broken and the project has started. We've cleared a large area in the center of that photo is our project area for Phase 1 of Three Rivers.

Not much has changed on this slide. Of course, our authorization remains the same. The purpose of this is to preserve navigation on the lower portion of the McClellan-Kerr Arkansas River Navigation System. This is in an area where the Arkansas River and the White River are in close proximity. Navigation is on the White River entrance channel in this area and due to hydraulic conditions nature wants to connect the two rivers. We are trying to make sure there is not an uncontrolled connection.

The project consists of two phases which will be defined on the next slide. Right now, we are in Phase 1, construction. The completion is scheduled for September of 2026. We are currently working on a post authorization change report due to the fact that we've exceeded the 902 limit with the updated certified costs after the Phase 1 contract award. We will complete that Post Authorization Change Report (PACR) by March of 2024.

With that said, Phase 2 contracts delayed due to cost increase and the necessity of more funding.

And the phasing on the project, as I mentioned there is two phases. Phase 1 is the lowest feature, there with the green and the magenta lines. It's the construction of a hydraulic weir at an elevation of 145 feet

in the historic cut off structure. Phase 2 is the construction of a 157-foot elevation hydraulic containment structure, modification of the Owen's Weir and modification of the LaGrues Culverts.

On the project status, project safety is good. At the time I created these slides, we had about 20,000 exposure hours. It's almost double that now with no accidents. The schedule we have in red because of the delay in Phase 2. So, Phase 1, our current contractor required completion is September of 2026. This is different from the original because there was a contract protest that has been previously briefed. But with the delay in Phase 2 we have an unknown completion of the entire project.

The financial status also is red it due to the increase in cost and the delay in Phase 2 award. The PACR, as I mentioned, the Post Authorization Change Report is in the process. The Change Control Board has been approved. The contractor is making great strides in early work packages. It's a design-build contract so we're in that design process.

We are at about 95 percent design, finalizing the last changes before we get to that 100 percent design. But using early work packages, the contractor has been able to get onsite and take advantage of these drier conditions and make considerable progress on the site.

As mentioned earlier, we updated the certified cost estimate in December of 2022 and that was \$355,681,000 and exceeding the 902 cost limit of \$279,490,000. So, we are doing the Post Authorization Change Request. But we've also sent the 902 notification letters. We believe that this project will qualify for the 902 Holiday. However, one caveat that there is my understanding that the 902 Holiday expires in December of 2024.

So, in order to take advantage of that 902 Holiday we would need to receive funding by the spring of 2024. Around February 2024. If we don't, if we can't take advantage of the 902 Holiday, my understanding is that with the post authorization change report we will have to receive further authorization for that increase in cost through probably another WRDA.

So as a result of this process we do have uncertainty in the award and construction of Phase 2, the timeline of that. Also because of these delays we have to evaluate our acquisition strategy. Phase 1 was awarded under a multi-award task order contract or a MATOC, that expires in June of 2024. There is potential to use another MATOC from the Galveston District on this work. But if we don't use the MATOC, we would have to change some of our specifications, the front end of our specifications for alternate acquisition strategy. And we are taking that into account and trying to get a head start on that in case that's the route we have to go.

As far as the schedule were under, we've begun construction on Phase 1. We are working on the Post Authorization Change Report and Phase 2 is delayed. We've covered that so, there's not much to update there. As I mentioned, we anticipate, or the Post Authorization Change Report is scheduled for completion in March.

With the delay, we don't know exactly when it will start Phase 2 but the entire process of design recertification since it's been about a year since we completed our design, we will have to redo our design certification. The solicitation and the construction all told we anticipate will take about 4.5 years total, from the point that we receive funding.

MR. RASE: Mr. Gillip, this is Lance Rase. Thanks for the briefing here. With the PACR expecting completion in March of 2024, again, what's the timeline on receiving funding to achieve the 902 Holiday?

MR. GILLIP: If we want to take advantage of the 902 Holiday, we would need to receive funding ideally by February of 2024.

MR. RASE: February of 2024. Okay. Alright. That's it for now. There's no better time than now to hit on a point that we have hit on at least three times so far. We hear it again, just from our opinion here from the Board's opinion. The money that is set aside for the MKARNS 12-foot channel, if there is a way to get it moved over towards this project -- I'm sorry to beat the drum again.

MR. MURPHY: No.

MR. RASE: But we do need to say it and if that was a successful good completion time slide to the left any in your opinion?

MR. GILLIP: The overall project completion probably -- well, the start of that 4.5 years could slide to the left if there was a -- that 4.5 years noted for the design recertification solicitation and construction Phase 2 starts when we receive funding. So that's on an active slide right now since we don't know, and when we get funding, we'll nail that down.

MR. MURPHY: This is Spencer. Just to point out, the way that things are currently trending in Congress I think it's very safe to say there's no way that appropriations and a work plan will be in place by February of 2024. So just again, pointing to the relevant -- why the reallocation is even more relevant with that timing.

MG GRAHAM: Acknowledged.

MR. GILLIP: Now, an overview of the Three Rivers funding summary there have not been any changes here since the last slide. We have updated the certified cost as mentioned previously. It's a \$355,681,000 for the updated certified cost. We state that FY 24 funding capability of \$103.17 million, this will support the contract award of Phase 2. The contingency associated with that and then project support construction oversight, and engineering during construction and those things. The funds that have been suggested to move from 12-foot channel to Three Rivers actually would not be funding to completion. It would allow the Phase 2 contract to be awarded but there would be -- need to be some additional support for the contingency and then project support and administration.

Noted on here also is we did, and I reported at the last meeting update the benefit-to-cost ratio in May after we had updated our certified cost. The benefit-to-cost ratio of the total project is 2.1. The benefit-to-cost ratio of the remaining cost on the project is 4.5.

Alright. On issues and challenges, as it has been briefed previously, there was a protest to the contract award that delayed the project so that did extend the contract required completion of the Phase 1. I will say the contractor required completion of Phase 1 is September of 2026. The contractor is performing very well, and anticipates finishing early. However, in a setting such as this where we are subject to

high water causing significant delays, there could be -- it could go the full duration, but we're making excellent progress and we may finish early if conditions allow.

And then, of course --

MG GRAHAM: I'm not sure we would like to come out of the drought here right now. I'm glad you're taking advantage of that.

MR. GILLIP: Well, so that leads to another issue and challenge on this project. The low water is both a blessing and a curse for this project. And it's a blessing in that we have excellent conditions for earthwork construction on the site at this current time.

However, we are bringing a massive amount of stone from St. Genevieve, Missouri to the project site. So, traversing some of the areas where low water problems could occur on the Mississippi and that would have potential impact on the site if navigation restrictions occur on the Mississippi. We anticipate beginning to receive stone on site in the middle of November. As was mentioned earlier, in the low-water update, we currently have a navigation restrictions on the entrance to the Arkansas, but we will clear that before we have delivery scheduled.

The biggest -- of course, the biggest issue is the financial one and we discussed that at length. And then, this is the last slide I have, but this is a fairly current aerial image of the site showing some of the early work packages, construction of cofferdams and then, beginning the placement of the west training wall structure on the site.

Any questions?

MG GRAHAM: Jonathan, just one question. Can you go back to the bar chart for the timeline here for a minute? Okay. So, Phase 1 contracts. Basically, the water is, right now when the water gets too high and the White wants to join up with the Arkansas, water runs over here land and we stopped it in the old closure structure coming over here. And we're just going to flip that. We're going to let the water, over here now with that picture you just showed, and we want it to stop coming where it's currently going?

MR. GILLIP: Yes, sir.

MG GRAHAM: When the two rivers get too high. Alright. So, in terms of risk, the Phase 1 is where the new path we want the water to go, and the red bar up there that you haven't funded it yet is where the water is currently going and we're going to stop it from going there in the future. When we get the Phase 1 built in the green bar, how much of the total risk is built -- is burned down? Can you quantify that? Or do you need both green bar and red bar to eliminate any risk?

MR. GILLIP: So, I can't fully quantify that. Phase 1 does provide some benefit, some project benefits. But the project will not be completely functional until both the phases are constructed. The purpose of this project, both phases is to allow the water level in the Arkansas and the White to equalize it before overland flow occurs. And to do that we are both creating that relief valve at the historic closure structure by creating a weir for water to flow and were creating a containment structure that holds that water in the White River side until such time as the Arkansas River has had time to back up and for the water to flow through so that there is not a hydraulic gradient that creates velocities that causes the head

cutting and the scour that would throw out the connection. So, in reality, we need both phases for the project to function.

MG GRAHAM: Okay. Thank you for answering that.

MR. POINTON: Any other questions for Jonathan?

Thank you.

So, Jonathan got us back on schedule. And actually, it is pretty close to what we have up there although that is just sheer coincidence that it all balances out, that it is only 1:30 now.

I do not have any request to make any public comments. I repeat I did not receive any written statements. Is there anyone, one last time, anyone in the audience who would wish to make a public comment?

Alright. Seeing no affirmative reactions --

MR. SAVAGE: I'm going to say the due out because I got the answer for Marty.

MR. POINTON: Well, there we go. You got the answer for Marty.

MR. SAVAGE: Marty, you had asked the question earlier about the winter pool level at Kentucky Lock and Barkley Lock.

MR. HETTEL: Yeah.

MR. SAVAGE: And what available flows we had to connect it back with our water management ops team. Winter pool for Kentucky and Barkley are at elevation 354 and they're at 355 right now. So, you are correct, they are very near winter pools.

I asked about some of the upstream releases associated with the drawdown -- that General Graham explained from summer to winter pools. That will moderate between 16,000 cubic feet per second and 8,000 cubic feet per second. That will translate in to between a half a foot and one foot between now and the end of November at Cairo.

MR. HETTEL: So, I would imagine Joe, that foot differential from low pool to where we are right now would probably be used up in hydropower production through Kentucky and Barkley.

MR. SAVAGE: Those releases from the Cumberland system and from the rest of the tributaries to the Ohio system -- some of them, they're all going to flow through a hydro system at some point along the Ohio or along the TVA system. But the point is that it will be increased to flows coming into Barkley and Kentucky that will, of course --

MR. HETTEL: That will cover the hydro production?

MR. SAVAGE: Correct.

MR. HETTEL: Okay. Thank you.

MR. POINTON: Thank you, Joe. No public comments so we're moving into the closing remarks. Actually, before we turn it over to General Graham, I'd like to thank my staff here. Steven Riley in the back, and Allie Schafer up here. They are instrumental in helping us to get this all set up and make everything work. When we do it here in Washington, we don't get the benefit of a host District to rely on it like we did down in Nashville and Paducah. So, I appreciate these people doing all the hard lifting here. I get to sit here and talk, but they are doing all the hard work. So, I appreciate their help.

Sir? Closing comments?

MR. MURPHY: Defer.

MR. POINTON: Ms. Brown?

MS. BROWN: I just want to thank you all again for holding this forum and letting me participate. I heard loud and clear the Board's concerns about the delay in reallocating the MKARNS funding. Really appreciated the discussion about the incremental funding clause and thank you for the motion. It can't hurt to have additional folks support us as we work through to try and get the ability to use that tool more frequently. And also, I heard the Board's preference about how to use the remaining inland funding for the west side of the Brazos River project. So again, Secretary Connor really values the Inland Waterways System and this group, and I'll be sure to pass those concerns and preferences along to him.

MG GRAHAM: From the other federal observers, anything? Unless you're a Penn State alumni.

MS. TRETHER CHROMEY: We are.

(Crosstalk)

MS. CHROMEY: Anyway, seriously, again on behalf of the Administrator, I know she was pleased to be here and to be able to join all of you.

MR. POINTON: It was great to have her.

MS. CHROMEY: -- Thank you. And I think the one comment to walk away with is how can we engage more. Not necessarily just within the Inland Waterways Users Board, but as stakeholders of the system. We have a lot of resources in MARAD and I think that is her question, is how do we get you information that may be helpful? The projects and the funding are not just to public entities so it's important to be aware of the opportunities as a stakeholder of the system. So, I think that would be my only walk away from the Administrator from today. So thanks a lot.

MG GRAHAM: Okay. Tretha, thanks.

Is it my turn?

MR. POINTON: Yes sir, your turn.

MG GRAHAM: And so, Chair Murphy, you asked can we look at this Inland System as a system. You heard some pieces and parts of that, but I took away that we can communicate that better. And will take a stab at trying to figure out how to do that. So, we will give Mr. Smith a task to try to pull that piece together.

You heard Ms. Brown talk about MKARNS. We certainly understand this and again as Ms. Brown said, we don't want to lose the opportunity to make sure that Jonathan has the financial wherewithal to keep the rivers where -- those two rivers where we need them to be.

Updating, making sure our capability estimates are accurate so that you can make informed decisions off of those. The Corps we're putting an awful lot of pressure on our cost engineers, so you heard some of the PMs talk today about well here's the Government estimate and in many instances, particularly from Mr. Lopez, you heard that the Government estimate was close to what we think the bids are going to be. That's the standard.

The Government is supposed to come up with its estimate just the same way it's a contractor. And if you have to grade our paper over the last few years, we would have been bankrupt. Because we signed up to do stuff that -- or to build projects at a certain cost level that we didn't come close to hitting. So, we are working really hard to get better at that.

General Spellmon hasn't given us specific guidance. Almost double amount of cost engineers than what we have out there. And those are talented folks who are in high demand in the industry. So, we are working to get better at saying how much is the stuff going to cost?

At the same time, as you heard from some of the PMs, again, we're trying to be as efficient as possible when you invest in having us build something. Either in the method that we're working with the contracting community or the actual contract tool that we are using.

Got the point on the incremental funding clause, and we learned a little bit more about how we're trying to use that deftly here. And thanks for the motion, that's helpful.

Sure got that point that we've got to get new Board members onboard and keep this going. And we absolutely will.

And then, near and dear to Tiffany's heart, Mr. Smith's heart is the Capital Investment Strategy. To make sure that that's ongoing to make sure that we've got good capability out there. We've gotten good numbers, and you all can then make informed decisions. And I appreciate the continuing emphasis on let's finish what we start. And then that's all a part of the same construct.

Did I miss anything?

MR. MURPHY: I don't think so.

MG GRAHAM: And I just want to say again, the last time. Thanks again to Rock Island. We challenged them greatly, and they rose to the challenge on delivering the consolidated closure. You

pushed us, and we appreciate that. And not in the spirit of just sitting there throwing rocks, but you pushed just in the spirit of making us better, this whole transportation system, and that's the way this is supposed to work. So, thanks.

MR. MURPHY: Sure, thanks.

MR. POINTON: Spencer?

MR. MURPHY: Well, General, I think you recapped things pretty nicely, so I won't repeat what you just said. But two things. One, on the project briefs I do appreciate the uniform presentation style. I think it is much improved and easy to follow. So, I appreciate that.

And then secondly, in case this really is your last meeting -- and in case this is our last meeting, I would just like to say thank you for your partnership and your communication and Ms. Brown, thank you for being here. I appreciate your feedback in listening to us vent some of these issues.

So anyway. I thought this was a really productive discussion and I look forward to getting these projects built and then move on to the next step, and the next, and so on and so forth. Thank you.

MR. POINTON: Damon, any comment? (Indicating none.) Any other members from the Board wish to make any closing comments? No? Seeing none, can I call for a motion to adjourn the meeting?

MG GRAHAM: When do we set the next location? Do we do that at the end of this meeting, or do we do that later?

MR. POINTON: We will do that later, sir. I will interface with you and Spencer to --

MG GRAHAM: Okay. That's how that works?

MR. POINTON: Although I will offer for the record that the terms of the current Board expire January 30th, so I would highly recommend we do want to try to meet before January 30th to take advantage of you all still serving on this Board. In case -- and the rare possibility that there might be a hiatus in your memberships we can get a meeting in.

MG GRAHAM: Yeah, I will try real hard to make sure that we avoid all of that.

MR. POINTON: Yeah, let's talk off-line.

MG GRAHAM: Okay.

MR. POINTON: So, can I have a motion to adjourn?

MR. MURPHY: So, moved.

MR. POINTON: Spencer. A second?

MULTIPLE SPEAKERS: Second.

MR. POINTON: Second. Okay everybody second that. Alright. All in favor?

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

MR. POINTON: Alright. It's unanimous. Safe travels home everyone. Even those who live here.

(Whereupon the meeting was concluded.)

**Inland Waterways Users Board Meeting No. 101
Springfield, Virginia
October 19, 2023
List of Participants**

<u>Last Name</u>	<u>First Name</u>	<u>Affiliation</u>
Armstrong	Ms. Jen	Waterways Council, Inc. (WCI)
Bowman	Geoff	Van Scoyoc Associates
Bronson	Ms. Candida K.	USACE, South Atlantic Division
Brown	Ms. Stacey E.	HQDA, Office of Assistant Secretary of Army for Civil Works
Bucci	Ms. Mary Ann	Port of Pittsburgh Commission
Burks	Ms. Elizabeth M.	USACE, Nashville District
Burroughs	Ms. Tiffany S.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Byrne	Ms. Shelley	The Waterways Journal Weekly
Carter	Ms. Nicole	Congressional Research Service (CRS)
Chambers	Patrick A.	USACE, Mississippi Valley Division
Chirpich	Michael C.	USACE, Little Rock District
Chromey	Ms. Tretha	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Clouse	Paul D.	USACE, Institute for Water Resources
Coffelt	Matthew G.	USACE, Rock Island District
Czerwinski	Ms. Robin	National Oceanic and Atmospheric Administration (NOAA), National Ocean Service
Davidson	Dustin H.	Waterways Council, Inc. (WCI)
Dempsey	Ms. Rachael A.	National Oceanic and Atmospheric Administration (NOAA), National Ocean Service
Diffley	Rich	Inland Rivers, Ports & Terminals, Inc. (IRPT)
Dirks	Bryan J.	USACE, Inland Navigation Design Center (INDC)
Fritz	Stephen R.	USACE, Pittsburgh District
Germann	Robert T.	USACE, South Atlantic Division
Gilbert	Ms. Heather	National Oceanic and Atmospheric Administration (NOAA), Office of Coast Survey
Gillip	Jonathan A.	USACE, Little Rock District
Goodall	Andrew J.	USACE, Rock Island District
Graham	MG William "Butch"	USACE, Headquarters, Civil Works Executive Office
Guttman	James L.	Grandview Barge Line, Inc.
Harshman	Scott	Port of Pittsburgh Commission
Hettel	Martin T.	American Commercial Barge Line LLC (ACBL)
Heyman	Ms. Alexis	U.S. Department of Agriculture (USDA)
Hoey	Ms. Jeanine	Private Citizen
Jackson	Clay	Schimmick Construction
Judd	Damon S.	Marquette Transportation Company
Komlos	Shawn B.	USACE, Institute for Water Resources

Kreider	Richard C.	Campbell Transportation Company
Lientz	Ms. Katie	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Lopez	Jose R.	USACE, St. Louis District
Marcey	CAPT Daniel L.	USACE, Headquarters, Civil Works Executive Office
Magary	Ms. Brooke E.	USACE, St. Louis District
Moulton	Craig M.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Murphy	W. Spencer	Canal Barge Company
Olson	Ms. Patty	Schimmick Construction
Phillips	RADM (USN, Ret.) Ann C.	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Pointon	Mark R.	USACE, Institute for Water Resources
Power	Timothy C.	SCF Marine Inc
Ramos-Gines	Orlando	USACE, Galveston District
Rase	Lance M.	CGB Enterprises, Inc.
Rich	Robert D. "Rob"	Shaver Transportation Company
Riley	Steven D.	USACE, Institute for Water Resources
Rodriguez	Federico	Texas Department of Transportation
Rohde	Paul	Waterways Council, Inc. (WCI)
Savage	Joseph M.	USACE, Great Lakes and Ohio River Division
Schafer	Ms. Alexandra L.	USACE, Institute for Water Resources
Schimpf	Andrew C.	USACE, St. Louis District
Smith	Thomas P.	USACE, HQ Operations & Regulatory Division
Sullivan	Robert M.	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Tarpey	Michael J.	USACE, Rock Island District
Taylor	Ms. Crystal D.	Ingram Barge Company
Trzaska	Brian M.	USACE, Pittsburgh District
Ufner	Ms. Julie	National Waterways Conference (NWC)
Wallace	Ms. Kirsten	Upper Mississippi River Basin Association
Webb	Jeff	Cargill, Inc.
Winters	Robert L.	USACE, Nashville District
Woodruff	W. Matthew "Matt"	Kirby Corporation
Zea	Tracy	Waterways Council, Inc. (WCI)