



US Army Corps of Engineers
BUILDING STRONG.

Inland Waterways Users Board Meeting No. 103
Saint Charles Convention Center Grand Ballroom D
Saint Charles, Missouri

August 1, 2024

Minutes
Inland Waterways Users Board
Meeting No. 103
at the Saint Charles Convention Center Grand Ballroom D
Saint Charles, Missouri
August 1, 2024

The following proceedings are of the 103rd Meeting of the Inland Waterways Users Board held on the 1st of April 2024, commencing at 9:00 a.m. This is the second meeting of the Inland Waterways Users Board held in 2024. 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. JUSTIN DICKENS, Board Member, Crounse Corporation.

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

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

MR. RICHARD C. KREIDER, Board Member, Campbell Transportation Company (CTC).

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

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.

Inland Waterways Users Board (Board) Members not present at the meeting included the following:

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

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

MR. JEFFERY WILSON, Board Member, Holcim (US).

Eight of eleven Board Members attended the meeting.

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.

MR. TRAVIS BLACK, Director, Inland Waterways Gateway Office, U.S. Department of Transportation, Maritime Administration (MARAD).

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

MS. KRANTI MULIK, Transportation Services Division, U.S. Department of Agriculture (USDA).

Official representatives of the Federal government responsible for conducting 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 (Promotable) (MG)(P) 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. PAUL D. CLOUSE, 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 Officer (ADFO), Inland Waterways Users Board, U.S. Army Corps of Engineers, Institute for Water Resources, Alexandria, Virginia.

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

Colonel (COL) Andy Pannier, Commander, U.S. Army Corps of Engineers, St. Louis District.

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. Craig Moulton, U.S. Army Corps of Engineers, Headquarters, Operations Division, Inland Waterways Program Manager.

Mr. Michael Tarpey, U.S. Army Corps of Engineers Headquarters, Operations Division, Navigation Section, Senior Program Manager.

Mr. Ryan P. Reich, U.S. Army Corps of Engineers, Mobile District, Navigation Business Line Manager.

COL Cullen Jones, Commander, U.S. Army Corps of Engineers, New Orleans District.

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

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

Mr. Ramon Navarro, U.S. Army Corps of Engineers, Galveston District, Senior Project Manager.

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

Mr. Robert Maroney, U.S. Army Corps of Engineers, Rock Island District, NESP LaGrange L&D Program Manager.

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

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

PROCEEDINGS

MR. CLOUSE: Good morning, everyone. Thank you for being here. Please be seated if you're not already so we can begin this Federal Advisory Committee meeting. My name is Paul Clouse. I'm the Designated Federal Officer and Executive Secretary for the Inland Waterways Users Board. I call to order the 103rd Inland Waterways Users Board meeting at 09:00 on Thursday, August 1, 2024. The last time we held a Board meeting in St. Louis was in November of 2018,

almost six years ago, and it was in this exact same facility. It is a pleasure that the Board meeting is being conducted in the St. Louis area. The St. Louis District is where I have spent the majority of my career focusing on the inland waterways and specifically the Upper Mississippi River and it's great to see so many familiar faces here. Thanks to the staff at Lock 25 for a very informative site visit yesterday and for dialing up a little rain shower to cool things off a little bit before we started the visit. Unfortunately, it only added to the humidity when the sun came out. It was great to be able to get into some details of the project and construction sequencing, and we are truly grateful for the Lock 25 staff for looking out for our safety in the hot weather. I'd like to thank the St. Louis District staff both in the downtown office and Lock 25 and express my sincere gratitude for all the support we got from them to make the tour possible. I'd also like to thank the Waterways Council for the refreshments and snacks. Before we begin, I'm obligated to read for the record that the Users Board was created pursuant to section 302 of the Water Resources Development Act of 1986 as amended. This is codified in Title 33 of the United States Code, Section 2251. By law, the Users Board provides a Secretary of the Army with independent advice and recommendations to the Secretary regarding construction, rehabilitation priorities, and spending levels of inland waterway projects. The Board also advises and makes recommendations to Congress regarding feasibility reports on inland waterway projects. Additionally, the Board advises and makes recommendations to Congress regarding increases in authorized costs. Finally, the Board advises and makes recommendations in the development of long-term capital improvement program. The Board and I are subject to the rules and regulation of the Federal Advisory Committee Act of 1972 as amended. This is a Sunshine in the Government Act meeting and as such is open to the public. The United States Army Corps of Engineers is the sponsor of the Board and provides the Executive Director, the Designated Federal Officer, and all normal activities related to the Board. Currently, there are no requests to make a public comment before the Board and no statements have been submitted for the record. If anyone wishes to make a public comment at the appropriate time or submit a statement for the record, please let me know at the break. These proceedings are being recorded and a record of this meeting will be available afterwards. These meeting proceedings will eventually be placed into the National Archive; so please state your name prior to making comments. A reminder that the public comment period is toward the end of the meeting. We do have a quorum of Board Members present today. We also have an aggressive agenda. I'll do my best to keep this moving along. I'd like to welcome the Board Members and acknowledge Mr. Steve Shaver, President of Shaver Transportation from Region 6, the Columbia/Snake River system and Mr. Matt Akins, Director of CGB Marine from Region 1, the Upper Mississippi River. At this time, I will call on Colonel Andy Pannier, the District Engineering Commander of the Corps of Engineers, St. Louis District, to offer welcoming remarks on behalf of the St. Louis District. Colonel Pannier.

COLONEL PANNIER: Thank you. Good morning and welcome everyone. Thanks for choosing to hold the IWUB in St. Louis. It is an honor for us to host you here. Before I say anything further, if you're a member of the St. Louis District, I would ask that you please stand up. Can we give them a round of applause for a great site visit yesterday? It takes a lot to coordinate critical meetings like this and the team did nothing to balk at any of that and make sure you had a class event. Also, on a note of safety, if for any reason we should have to evacuate out of this building, we'll move out these doors, turn right, you'll see glass doors in front of you. Exit those glass

doors across the driveway and we'll move into the parking lot for accountability. I know it is not lost on any of you the critical importance of our inland waterway system has to our national security and international trade. As a nation, our world standing, in part, is tied to the incredible accomplishments that we have achieved in developing this waterway system. Today there are nations such as Brazil that are vying to be top agricultural contributors to the global market. As they pursue those goals, they look to the development of the inland waterways to maximize their navigational advantages. With over 12,000 miles of navigable rivers, we are the model to the world for what an efficient inland waterway looks like, and nations are taking note of it as they develop their own systems. If we wish to remain a global leader, not only in the inland waterway structure, but also in trade and economic development, we have to operate, maintain, and develop this system. The St. Louis District is uniquely positioned within this system. We are a confluence and transition District. Within our footprint, we have the confluence of the Illinois and Missouri Rivers into the Mississippi just north of St. Louis. This, along with the transition point of the river from the lock system to the open river, makes St. Louis harbor a major fleeting area of great strategic importance to the entire system and has earned it the name of the Ag [Agriculture] Coast of America. The keyword out of all of this is system. The inland waterway must be understood and operated as one entire system. It does no good to deepen the channel to 50-plus feet in Louisiana if we have unscheduled lock closures on the upper river due to aging infrastructure or long queues due to 600-foot locks impeding efficient flow of commodities. At the same time, it does no good to build the locks out to 1,200-foot chambers if we cannot keep the channel depths un-restrictive on the open river through regulating works, channel improvement, and dredging. All of this takes time and funding and has to work in concert with each other in one system. That takes strategic direction for funding, sequencing of development, and operations during all seasons. Thank you to this Board for your strategic direction that you provide, the vision that you give on how the inland waterway is used and developed. I look forward to another great meeting today. Again, I welcome you to the St. Louis District. Pending the close of the meeting, the formal close of the meeting today, if you have the availability to remain for five minutes, we would like to bring one member of the St. Louis District forward and recognize him. Thank you.

MR. CLOUSE: Up next, I will ask Major General "Butch" Graham, the Executive Director of the Users Board, for his welcoming remarks. General Graham.

GENERAL GRAHAM: This room's going to bedevil us today that we got our backs to everybody. But the nice thing about turning around to look at you all is we get to see that mural back there with the steamboat and the river. This is a great room to have the Users Board. I'm going to turn my back to you all for a minute and talk to the Board Members. This is an accountability drill, which is why we do this. Is the Corps of Engineers providing a reliable inland marine transportation system that your industry can count on as a key node in the nationally important supply chain. That's what today is all about. We're going to have a lot of honest and blunt conversations. This is about how these projects are going and where we're heading, but that's the goal, is to provide a reliable inland marine transportation system that the nation can count on. We've made some great progress. We've got some bumps in the road and we're going to talk about all that. The goal is to deliver for you the best we can. Feedback is a

gift, and we appreciate your all's time here today and working collaboratively with us to see ourselves honestly and to see how we can both work together to serve this nation to the best of our abilities.

MS. BROWN: Morning, it's good to see everybody. I'm pleased to be here today to represent Secretary Connor. He certainly has the inland waterway system as a priority because he understands the importance of the inland waterway system to our nation's supply chain. He really appreciates, as do I, the partnership with the Inland Waterways Users Board and all the Members of the Board. We've enjoyed working together to try to make sure that our nation continues to have the advantages that the inland waterway system provides and look forward to continuing to do that and hearing today about where we need to provide that assistance. Appreciate the opportunity to be here with everybody.

MR. CLOUSE: I'll now ask Mr. Spencer Murphy, Chairman of the Inland Waterways Users Board for his opening remarks. Chairman Murphy.

CHAIRMAN MURPHY: Thanks. Good morning. Welcome to 103rd meeting of the Inland Waterways Users Board. I want to thank Major General Graham, Deputy Assistant Secretary of the Army for Civil Works, Stacey Brown, Paul Clouse, Members of the Board, Federal Observers, and other guests for being here today. Also, a special thank you to the St. Louis District for putting together yesterday's tour at Lock and Dam 25. Would also like to begin by thanking Secretary Connor for allocating infrastructure BIL [Bipartisan Infrastructure Law] funding to each of the inland waterways' construction projects funded in FY [Fiscal Year] 24. This is a very positive step forward to ensure that these projects can be constructed in an efficient manner, and we appreciate the hard work that everyone put in to make that happen. As we collaborate with the Corps to find solutions to our funding and policy challenges, we'll be doing that in an unpredictable political climate with increased uncertainty. We can only succeed if the items that are within our control are carefully managed and communicated with transparency. We know the Corps can deliver important projects as we saw just recently with the reopening of the Baltimore Harbor and the completion of the repairs at Demopolis Lock. But those successes are also why many of us remain frustrated with the pace at which some of the inland construction projects are progressing. Significant IIJA [Infrastructure Investment and Jobs Act] investment presented the opportunity to execute effectively without severe funding limitations. But almost three years after enactment of that bill, a lot of those funds remain unspent. We recognize the challenge that cost escalations have presented and it's put up a spotlight on the importance of being able to quickly adjust plans and strategies when circumstances and assumptions change. We heard about this yesterday at Lock and Dam 25. The current schedule presented to this Board shows construction will not begin until 2027, which is five years after receiving over \$700 million in funding from the IIJA. As we discussed yesterday, now that the Corps has pivoted from its original acquisition strategy, we urge the Corps to find ways to expedite design and construction. Today we're also going to receive an update on the 2025 Capital Investment Strategy (CIS). We have a lot of work ahead of us with significant investment needed for two ongoing modernization projects over the next five years and two additional mega projects in the pipeline. Transparency between the Corps and the Board during the development of the CIS over

the next few months is critical to ensure that the Corps receives adequate resources to efficiently construct these projects. We cannot return to an era where construction projects take decades to become operational and we need to have the CIS in place ahead of the next Congress. Finally, I want to reemphasize the importance of accurate and consistent cost estimates and capabilities. Congress relies on these estimates when making consequential funding decisions. Discrepancies can jeopardize funding for priority projects and potentially set them back for years. We understand there are always procurement sensitivities, but we need transparent and accurate estimates to effectively advocate for the Corps to get the resources that are important to our common goals. We cannot help the Corps if we are not given good information to bring to Capitol Hill. Again, thank you for being here and we look forward to today's updates and having a productive meeting.

MR. CLOUSE: Thank you, Chairman Murphy. Any other Board Members that would like to make an opening statement? Hearing none, next we're going to the Federal Observers for opening remarks. First up, we have Ms. Kranti Mulik from the Department of Agriculture for Mr. Richard Henderson in the Transportation Economics Division. Ms. Mulik.

MS. MULIK: Thank you, Chairman Murphy, General Graham, Board Members, and other attendees at today's meeting. For the record, my name is Kranti Mulik. It's an honor to be here on behalf of the U.S. Department of Agriculture (USDA). USDA continues to acknowledge the importance of barge transportation to facilitate export and domestic shipments of agriculture and related products, and the need for continued construction and rehabilitation projects to maintain and enhance the river transportation infrastructure. Year-to-date, 14.6 million tons of grain, that's corn, soybeans, and wheat, moved southbound through the locks on barges to the Gulf for export. That number is 9 percent lower than last year and 28 percent lower than the previous five-year average. Corn is down by 6 percent and soybeans are down by 9 percent, while wheat is up 21 percent. Some of the decrease can be attributed to several locks being closed on the Upper Mississippi River beginning in early July and not reopening until late July. However, except for a few weeks, all weekly grain movements have been below the five-year average and the majority have been below last year's weekly movements. Lower grain prices have also kept some shippers on the sidelines waiting for higher prices. According to USDA's most recent modal share analysis, 51 percent of corn exports and 55 percent of soybean exports are shipped via barge to the Gulf for export. For marketing year '23/'24, year-to-date ship total export sales for corn or soybeans are 4 percent higher than marketing year '22/'23, with shipped export corn sales up 31 percent from the previous marketing year. Mexico, whose shipped export sales of corn is up 44 percent from last marketing year, has become the largest importer of U.S. corn. Most, if not all, U.S. corn exports to Mexico are shipped via rail, not barge. Year-to-date soybean shipped exports are down 16 percent. For wheat, whose 2024/'25 marketing year began June 1, shipped exports are up 19 percent. Despite extreme water levels over the last two years, both floods and droughts, the navigation system continues to provide agricultural producers an efficient and environmentally friendly option to move their products to the market. Looking ahead, according to the Department's latest world agricultural supply and demand estimates July report for marketing year '23/'24, though not location specific, USDA projects the United States will export 56.5 million metric tons of corn, 84 percent of which has been shipped so far, up 34

percent from last year, and 46.3 million metric tons of soybeans, 91 percent of which has been shipped so far, and this is down 14 percent from the last year, and this is from September 2023 to August 2024. Roughly almost half of all grain shipped to export market goes by barge annually. USDA has been working with the Department of Transportation's Volpe Transportation Center to update and expand upon an earlier study on the importance of inland waterways to U.S. agriculture, which was released in 2019. Volpe has completed stakeholder outreach and is using that information in the modeling process. The updated report should be completed by the end of fiscal year 2025. USDA is also working on adding barge freight rates and grain movements through locks along the Columbia-Snake River system. These are expected to be added sometime this fall. Thank you again for the opportunity to participate in today's meeting and for yesterday's tour of Lock and Dam 25. Thank you.

MR. CLOUSE: Thank you, Ms. Mulik. Next up we have Mr. Travis Black from the Maritime Administration for Mr. William Paape, Associate Administrator of Ports and Waterways. Mr. Black.

MR. BLACK: Thank you. General Graham, thank you, Chairman Murphy, and Members of the Board. On behalf of Secretary Buttigieg and Maritime Administrator Phillips, I'm pleased to join you today. I'm, for the record, Travis Black, Gateway Director of the Inland Waterways Gateway Office here in St. Louis. I also live here in St. Louis, or in St. Charles. Bill Paape and Tretha Chromey send their regards and apologize for not being able to join today. At the Maritime Administration, we promote the development and maintenance of a resilient maritime transportation system, including ports, by providing grants for infrastructure projects, technical assistance, and support for security initiatives. Given that we are in my region, I thought I'd provide a short summary of my role and update from the region. Just a little bit about myself. I have over 30 years in the transportation infrastructure planning field. Working in Seattle, Houston/Beaumont in Texas, and also on the U.S., Canadian land ports of entry. I've been with the Maritime Administration since 2015. The last two years here as the Director in St. Louis. I cover the Columbia/Snake River, Missouri, Upper Mississippi, Illinois, and Kaskaskia Rivers, and my primary job is to bring investment to this region. I'd like to highlight a few investments the U.S. Department of Transportation and MARAD have done in this region. We're investing in the inland waterways and encourage others to do so. In Missouri, we have in the last three funding cycles, these are all numbers from there, we've invested in the Missouri River at Brunswick, Missouri, and Blencoe, Iowa, each receiving port infrastructure development grant projects of over \$10 million each. On the Mississippi River and Kaskaskia Rivers, over the last three years, we have grants in St. Paul, Minnesota, Redwing, Minnesota, Wabasha, Minnesota, Lewis County, Missouri, America's Central Port, and Kaskaskia Regional Port District in Illinois. Total investment over \$40 million, as well as a few small shipyard grants. On the Columbia/Snake River, we've invested over \$4 million at the Port of Vancouver and Port of Morrow, Oregon, supporting the Tidewater Barge service expansion. The National Defense Authorization Act of 2023 required MARAD to conduct a study to inform a new national maritime strategy and select an independent and nonprofit and federally funded research and development center (FFRDC) sponsored by the Department of the Navy with expertise in researching sealift needs for national security. Last September, MARAD selected the Center for

Naval Analysis (CAN) as the FFRDC. CNA will identify the key elements and objectives it needs to develop a U.S. maritime strategy that will revitalize the U.S. Merchant Marine and our maritime industrial base to meet the nation's economic and national security needs. The study is not a strategy but rather a tool that can provide a comprehensive approach to identifying and prioritizing the elements of a strategy. As part of that effort, a scenario exercise was conducted. It brought together all sectors of the industry to work collaboratively given a futuristic scenario. The findings of the exercise will help inform the study and vice versa. MARAD is working diligently to release the study later this fall. As you may know, MARAD and USDOT [U.S. Department of Transportation] are continuing to work hard to deliver the commitments of the Bipartisan Infrastructure Law. MARAD and all across the Department are in the middle of grant reviews. The U.S. Marine Highway Program, the Notice of Funding Opportunity made available \$4.85 million and that closed in July. The office is reviewing those applications and plans to make awards before the end of the year. MARAD continues to receive interest in the designation of new marine highway routes. Please let me know if you have more interest in that program. The Port Infrastructure Development Grant Program (PIDP), NOFO [Notice of Funding Opportunity] for the \$454 million from the Bipartisan Infrastructure Law and the 2024 National Defense Authorization Act added another \$50 million closed on May 10th and the staff are reviewing applications and also plan to make awards by the end of this year. On June 26th, USDOT announced over \$1.8 billion in awards from the RAISE [Rebuilding American Infrastructure and Sustainability and Equity] discretionary grant program. These projects aim to modernize roads, bridges, transit, rail, ports, and intermodal terminals in urban and rural areas. Ten projects were selected from this and will be led by the Maritime Administration. The Multimodal Project Discretionary Grant NOFO announced the availability of \$5.1 billion in 2025 and 2026, and that notice closed May 5th. The NOFO combined three programs. To conclude, I'm pleased to be here with you today and available at any time to answer any questions you may have about my role in MARAD. Thank you for the opportunity to provide an update.

MR. CLOUSE: Thank you, Mr. Black. Finally, we have Ms. Heather Gilbert from the National Oceanic and Atmospheric Administration for Rear Admiral Benjamin Evans. Ms. Gilbert.

MS. GILBERT: Thank you. Good morning, General Graham, Chairman Murphy, and Vice Chairman Judd, Members of the Board and fellow Federal Observers and Staff. Thank you all again for the great tour yesterday. We appreciate all the time and effort you put into that. For the record, my name is Heather Gilbert. I am here as a Federal Observer to the Board representing the National Oceanic and Atmospheric Administration. Rear Admiral Ben Evans, the Director of the Office of Coast Survey and a Member of the Mississippi River Commission, sends his greetings and regrets that he is unable to attend today. I want to take a couple minutes to provide you with a few charting updates and two standalone updates. First, as you all are aware of, Office of Coast Survey and NOAA is getting ready to raster sunset all of our paper charts. As we are nearing the deadline of that of December of this year, we are working on continually updating our chart corrections website and we've deployed a new update to the National Navigational Update website. This website will provide navigational updates to all users and will replace the old weekly updates once all raster charts are canceled. This new website provides both routine

and critical changes made to the NOAA ENC's [Electronic Navigational Charts] and will give the users the ability to search for updates for up to two years for any given area. Additionally, the NOAA offices have updated the VDatum grid for the Gulf of Mexico. They released a new version of the Vertical Datum Transformation called VDatum 4.7, which is a revised grid for the Western Gulf of Mexico. This software system will translate the geospatial data among the 36 different vertical reference systems and removes most of the serious impediments of data sharing. With this new update, it's going to allow for easier geospatial data that can be seamlessly integrated and to improve floodplain mapping, coastal emergency management, natural disaster preparedness, which all benefits U.S. public and the works on our inland systems. In continuing the work in the Gulf of Mexico Mississippi region with that VDatum, NOAA is very much looking forward to the work that's going to be done by Army Corps New Orleans Corps that has awarded three survey task orders for the Mississippi River multibeam collection. These task orders are going to involve the contractors performing a bank-to-bank multibeam survey of over 350 miles of river and passes on the Mississippi from river mile 324 to river mile 0. It will include the overbank LiDAR to the maximum extent possible for these surveys. But the key part for NOAA on this is that these surveys are going to meet the requirements set forth by our Hydrographic Surveys Division under specification deliverables. Helping create the CATZOC [Category of Zone of Confidence] confidence of all our channel information that we are getting. We are excited about that. Switching my hats since I work in inner agency environment, my other day job is with the U.S. Committee on the Marine Transportation System (CMTS). I want to make you all aware of a federal register notice that was published for request for information. The official title is "Request for Information to Identify Barriers to Planning for Climate Resilience in U.S. Ports." We are seeking to identify what planning guidance, data sources, grants, U.S. ports to include inland, this is not coastal, we want every port information we can possibly get for anybody. They use for planning long-term environmental change and to identify if there are any barriers to action in planning and planning for the future. We are hoping to hear from all of you. It is out for 45 days. It closes on August 29, 2024. We ask that you go out, look into that, provide us information. If anybody has any questions, you can email me with my CMTS hat of heather.gilbert@cmts.gov and I will be happy to answer any questions. On that last thing, we are all so excited for the CMTS. We finally have our new Executive Director on Board, Ms. Ashley Chappel. Hopefully next time we get a Board meeting in the DC area, she'll be able to join, and we can get her up to speed on all things inland waterways related. Thank you, General, Chairman Murphy, and the Board for the opportunity to provide my remarks.

MR. CLOUSE: Thank you, Ms. Gilbert. Next on the agenda is the approval of the minutes from the Users Board meeting number 102, which was held in Springfield, Virginia, on April 11, 2024. A copy of the transcript was sent electronically to the Members of the Board and I want to acknowledge a syntactical error on page 2. Mr. Woodruff was indeed present in person at the 102nd Users Board meeting and not virtual. This will be corrected in the final minutes. Considering this correction, can I receive a motion to approve those minutes?

MR. WOODRUFF: So moved.

MR. CLOUSE: There is a motion to approve the minutes of the 102nd Users Board meeting. Can I have a second to the motion?

MR. HETTEL: Second.

MR. CLOUSE: Is there any discussion related to the approval of the minutes of the 102nd Users Board meeting? Hearing none, all in favor of approving the minutes of the 102nd Inland Waterways Users Board meeting say "Aye."

(All "Ayes.")

MR. CLOUSE: Any "nays"? Hearing none, the minutes of the 102nd meeting are approved. These will be posted on the Users Board website. Thank you. A couple of administrative notes. First, I have updated the Inland Waterways Trust Fund status into a dashboard style, and I'll go over that a little bit more in detail. Second, in coordination with the Chairman and Vice Chairman, we've streamlined the project specific presentations to focus on changes from the last Board meeting and give a look ahead on the projects. Without any further ado, we'll start into the presentations and first up is me with the Inland Waterways Trust Fund Status.

My other hat, other than being the Designated Federal Officer, I'm a navigation program manager at the Institute for Water Resources. Good morning, Chairman Murphy, Vice Chairman Judd, Board Members, General Graham, Ms. Brown, and Federal Observers. This is the financial report of the Inland Waterways Trust Fund. Here's a quick look at the agenda. Here are some of the items we're going to discuss here today. This is an example of the new dashboard that shows the monthly status of the Inland Waterways Trust Fund. This information is intended to be read from right to left. I want to go line by line and explain all the data elements and we'll get into the current period actuals after I explain everything in the example dashboard. The top line includes the Army and Corps of Engineers branding. The report title, sources of the information which are the Treasury Department's Bureau of Fiscal Service monthly statements and the Corps of Engineers Financial Management System. Lastly, is the reporting period for this line. The next line down is what I call the bottom-line up front. The first numbers are the amounts deposited into the trust fund that are invested in overnight securities. The interest rate on the June investments were steady at 5.37 percent. The second number is interest receivables. Since these are done in overnight securities, it's either 0 or one day's worth of interest and for this one, there's no interest receivable. That will give you the balance of the trust fund. This doesn't actually show what is available. It's just the balance as reported. Next, we start subtracting from that balance. First number subtracted is the unobligated balances of projects that have received funds. The next is a subtraction for undistributed funds. Those are funds that are sitting at Headquarters but haven't been distributed yet. Usually, it's 0 because we want to get that money to the field as soon as possible. The next subtraction is our \$20 million minimum trust fund balance. The last number, which I believe is the most important for the Board, is the trust fund amount available. The next line down on the board shows the fiscal year investment performance starting with the beginning balance at the start of the month and then monthly activity. Monthly activity is the sum of the taxes, plus interest, minus transfers. The investment balance is the fiscal year-to-date beginning balance minus monthly activity. The next number is year-over-year comparison of the

reporting period. In this example, May of 2024, is \$76.9 million more than May of 2023. Lastly, the number shows the percentage increase or decrease from May of 2023 to May of 2024. Increases are colored in green, and decreases are shown as red. This example has green and represents a 29.15 percent increase over the same period last year. Moving to the next line on the dashboard, we have interest beginning balance at the start of the month. Next is the monthly activity as reported by the Treasury Department. Next number is the fiscal year-to-date interest, which is the interest beginning balance, the previous month's ending balance, plus monthly interest earned. Again, we have some analytics to show this year-over-year in both monetary and percentage terms. Moving to the next slide, same concept as the previous two slides. We start with the beginning balance, plus monthly activity, equals fiscal year-to-date taxes received. Again, we have some analytics to show year-over-year performance in both monetary and percentage terms. Next up are transfers to the Corps. In simple term, transfers are obligations that the Corps has made for a project. Again, we have the beginning balance, plus monthly transfers, equals the fiscal year-to-date transfers. I did not include analytics for this line since the transfers happen at different times, usually in the fourth quarter of the year. It's not an apples-to-apples comparison month-over-month, year-over-year. I'll show you this a little bit more in detail. A couple of important notes. Our financial system cutoff for the year-end reporting is the middle of September. However, obligations can continue to be made after this cutoff until the end of September. The second note is that requests to the Treasury Departments are done by the appropriation public law. Example, the '22 Appropriations Act, the obligations would be requested by the year 2022. '23 Appropriations, again '23. I want to point out first, the next line is very much an exception and doesn't happen very often. If there are more de-obligations than new obligations, the de-obligation requests are held until later in the year in hopes that the funds will be re-obligated. You'll see the timing of the treasury requests when we get into the details. The next ones are what I call my quick charts. This part of the dashboard shows trends for investment, balance, interest, and taxes and we'll discuss these a little bit more in a little more detail later. Now that we've explained the dashboard here, at the end of June actuals, it shows available trust fund amount to be \$225.5 million available. Full utilization of the trust fund dollars of this amount would require a general treasury matching amount of \$644.3 million. That's at the 35 percent cost share level. At the proposed 25 percent level, that number jumps to \$902.1 million. That's an increase of \$257 million just with that 10 percent decrease in the cost share. I'm going to pause there if you have any questions on this one.

MS. TAYLOR: Yes, Mr. Clouse, Crystal Taylor here. The new format, certainly appreciate you walking us through the details of that. It's really a monthly roll forward now and the Board's traditionally received quarterly reports. I think now that we have the monthly format, it would be good to provide that to the Board on a monthly basis going forward. I think that would be helpful.

MR. CLOUSE: I think it would be, too, yes. Thank you. Thank you, Ms. Taylor.

GENERAL GRAHAM: We'll do that.

MR. CLOUSE: Now we get to do a little bit of deep dive into the analytics. This is the six-year analytics of the trust fund balance. This is not the amount available. It's the one that's reported by

Treasury of the balance. The balance remains high relative to the last six years. The next trend chart is taxes received. The current year is doing a little better than last year and the first year of COVID, but overall is lagging behind the six-year average. Next is a six-year chart for interest earned and this is by far outperforming any of the previous five years. If anybody has a high yield savings account, you can attest to that. The next chart shows transfers. I remember several meetings ago, and you'll see on here that the transfers happened toward the end of the fiscal year but can be requested at any time there is an obligation. I remember several meetings ago that the Board requested detailed information on transfers. I did some research and got connected with the right people at the Corps Financial Center. Here are the projects that had obligations that were requested to be transferred. Remember I mentioned that our end-of-year financial closeout typically occurs in mid-September. This shows which projects were obligated in fiscal 2023 after the cutoff, along with the current year and fiscal year obligations. This is noted on the dashboard slide.

MS. TAYLOR: Mr. Clouse, another question for you here. You noted the transfers and this timing issue from the cutoff. Is that the reason we saw the balance decline in June, when you did the May to June roll forward even though obligations were previously included?

MR. CLOUSE: Yes, ma'am. Because we can continue to obligate until the end of September even though the financial cutoff is about mid-September. What you're seeing here is that \$15 million for the Upper Miss was obligated after the Finance Center said we're doing our end-of-year fiscal closeout, likewise with Chickamauga down there. We had about \$15.9 million that was obligated after the mid-September. Does that make sense?

MS. TAYLOR: Thank you.

MR. CLOUSE: Next up, this shows the President's Budget and work plan allocations for fiscal year 2024. Since there were Bipartisan Infrastructure Law reallocations done, and Ms. Burroughs will talk about that later, there were no President's Budget requests nor work plan allocations in 2024. Lastly, this slide shows the unobligated balances by project. Please note that any number that is colored blue represents a change from the previous Board meeting. We have a little over \$69 million unobligated as of the end of June. With that, I will entertain any questions.

CHAIRMAN MURPHY: Hey, Paul, it's Spencer Murphy. Just looking at the slide, Olmsted shows almost \$5 million in unobligated funds. At what point can we finally close the books on Olmsted and put that money to use?

MR. CLOUSE: They're still doing some final closeout on Olmsted. I don't know the exact date on when those funds will be obligated and/or returned to the trust fund. Any other questions?

CHAIRMAN MURPHY: Let's put that money where it can help us.

MR. CLOUSE: Next up we have Ms. Tiffany Burroughs to talk about the status of navigation funding. Ms. Burroughs.

MS. BURROUGHS: Thank you, Mr. Clouse. Good morning, Major General Graham, Chairman Murphy, Ms. Brown, Board Members, and Federal Observers. My name is Tiffany Burroughs

and this morning I'll be briefing the navigation business line high level funding summary. We continue to make adjustments to how we show the financial information visually to make sure we're communicating and bringing further clarity to the cost data. I'll expand on these as we get into further slides. As most of you guys know, the civil works program works within three phases of the budget. We have budget development, defense, and execution. We are currently executing fiscal year 2024. The 2024 appropriations bill was signed into law in March and the Statement of Managers posted with our work plan in May. After defending the 2025 budget request, we are in the midst of development for our fiscal year 2026 President's Budget with fiscal year 2027 not far off into the horizon. Most of you have seen this slide before as well. It shows the top line appropriations for civil works. It has been updated with information for the fiscal year 2024 appropriation and the 2025 President's Budget. As you can see, since 2013, the appropriation which is shown here in the brown line has routinely been above our budget and we continue to see record setting appropriations. In fiscal year 2024 and 2025, we had a President's Budget over the \$7 billion mark. For the most part, we've seen a steady increase since 2020 with a slight dip in fiscal year 2023, which may be attributed to the results of receiving the Bipartisan Infrastructure Law funding. The fiscal year 2024 budget request was \$7.4 billion with an appropriation of \$8.7 billion. Then the fiscal year 2025 President's Budget is a little over \$7.2 billion. This slide shows our fiscal year 2025 President's Budget civil works program summary. The chart on the left shows a total program broken out by the different accounts. In the investigation account we received \$111 million. This included funding for your traditional feasibility studies, for preconstruction, engineering, and design, otherwise known as PED activities. Study-like activities, as well as remaining items. The construction program totaled about \$1.9 billion. This included construction activities, as well as remaining items. The O&M program totaled about \$4.16 billion. That breaks out to be about \$2.6 billion for O&M and about \$1.6 billion for Harbor Maintenance Trust Fund account. The chart to the right shows the funding broken out by business line or program with navigation accounting for approximately 43 percent of the civil works program, which is along the historic amounts that we typically see. Navigation is usually 40 to 50 percent of total civil works funding. Displayed here is one of our slightly tweaked graphics for communicating our navigation budget and appropriation trends. All of the total appropriations are consolidated by fiscal year and broken out between coastal and inland. The numbers include the Mississippi River and Tributaries account, which otherwise known as MR&T. Investigations, construction, and O&M will be covered individually in the next few slides. The totals displayed on this graph do not include remaining items or joint cost. Directing your attention to the bar graph contents, the amount in conference is shown in the darker blue. Total funding pot allocations in the light blue and 1 percent emergency in red. Supplemental funds are in light blue. IJA or BIL funds are shown in the dark green and President's Budget's shown in mint. The FY2024 repurposed BIL funds were pretty much unallocated in spend plans and so we use those towards projects that were funded in the FY2024 Statement of Managers. This funding was fully federal, requiring no construction cost share from the trust fund. We've added that and shown that here in orange and you'll see that in upcoming slides. The repurposed BIL funding was used for several construction projects that were added by earmark or funding pot.

CHAIRMAN MURPHY: Hey, Tiffany, it's Spencer Murphy. Just go back for a quick second and maybe Stacey can answer this. The FY25 President's Budget looks like it's got a lot of money in it, which is great. Is that real or is that estimate, plan? Where is that coming from? If I'm reading the chart correctly.

MS. BROWN: I think we tried to reflect the priority of the waterways in the budget; so I would say it's real.

CHAIRMAN MURPHY: Okay. Well, and –

MS. BROWN: Congress has the final say, of course, but –

CHAIRMAN MURPHY: For sure. But I guess I'm raising the issue because as we know, the President's budget has historically been either 0 or very low compared to final funding. I'm very encouraged by this.

MS. BROWN: Yeah.

CHAIRMAN MURPHY: I just want to make sure I understand.

MS. BROWN: Yeah. It's real.

CHAIRMAN MURPHY: Great. Thank you. It's in the slide, it must be real.

MS. BURROUGHS: Unpacking the investigation account trends a bit, we'll see a side-by-side comparison of inland and coastal by fiscal year broken out by funding source here. To make this easier to read, we pulled out the supplemental to a separate slide. Inland is shown here in brown and mint. Work plan and President's Budget respectively. Coastal is shown in blue and dark green. Work plan and President's Budget respectively as well. In this account specifically, we've seen a drastic increase in Congressionally directed funding. Then FY24 we received about \$1.3 million in inland funding. In the FY25 President's Budget about \$0.3 million. Although there haven't been large investments made in the inland investigations program, we anticipate information from the 2025 Capital Investment Strategy will help us identify opportunities for increased investment in future years. This slide shows our construction account with similar color coding as the previous slide. These amounts do include the Mississippi River and tributaries construction funding as well. Pointing your attention to FY24, the projects added in the final work plan for inland were funded, as I mentioned earlier, by repurposed BIL dollars. You will see them in a future slide, you do not see them noted here. This is also why you will see the coastal amounts reduced between the President's Budget and the work plan. For FY25, \$3.1 million was included in the MR&T inland program, and I will review the specific projects that were funded on a future slide. This is our O&M funding trends. Again, similar color coding. I'm drawing your attention first to fiscal year 2024, which has a strong President's Budget amount compared to past years. The inland O&M funding amount in the President's Budget was very strong. Once you add in the work plan funding we received, it's the highest we've received over the last few years at about \$1.2 billion. The FY25 President's Budget for inland was also pretty strong in comparison at just slightly over a billion.

MR. WEBB: This is Jeff Webb with Cargill. Recently with all the dredging that we've done with the water the last two years, we've got Demopolis, we've got an aging system, we're driving an old car here, how does the Corps feel about O&M funding in general and are we keeping up with the degradation of the system?

MS. BURROUGHS: Do you want me to –

GENERAL GRAHAM: Mr. Bodron do you want to take a stab at a piece of that? General Peoples has been talking to me an awful lot about MR&T O&M.

MR BODRON: Sir, I appreciate the question. The dredging has been adequately funded in the lower river to maintain navigation; we've been able to keep the river open with some difficulties. Of course, we have some major infrastructure areas coming up such as the age of our dredge fleet. Also, funding for our channel improvement program, which is a long-term thing that minimizes the need for dredging. But thanks to headquarters' efforts, we've been able to adequately maintain the channel over the last two years with drought. We're in a lot better shape going in this year. However, the river is dropping way out. If you look at the 28-day forecast, it's a pretty rapid drop. But at the end of 28 days, we still don't anticipate any major issues. Of course, there might always be some issues before the dikes kick in. But I think our major issues are making sure that we have enough money to maintain the revetment program, the channel improvement program of dikes, and then recapitalization of the dredges, which would be major items, sir.

MR. SMITH: This is Tom Smith, Operations. I think it's a great question about how do we feel broadly about our operations and maintenance money. I think if I brought all the Operations Chiefs here, they would tell you that they're making decisions every week, every month about where to put money against critical repairs. When you mention Demopolis, Holt, Port Allen, IHNC [Inner Harbor Navigation Canal], and those are just ones that are highly visible, they're spending money that wasn't necessarily programmed to address the problem that has occurred. That comes typically out of other O&M activities and then we make efforts in the next year's budget in working with our own program folks, Tab Brown and then up to Ms. Brown about getting recognition for that in the next year's budget. The effort we make, though, is to ensure that the money we do get goes to the areas that are most impactful. You've heard General Graham mention before about our asset management program. We have a robust but ever improving visibility on where our funding needs to go to address the areas of highest consequence. But I would say that we definitely leave some maintenance activities unfunded every year and I can't directly connect them to any individual lock today. But certainly, those cause us concern.

MR. WEBB: I think what I'm hearing is, and what I'd like to say on the record is, we still have a funding constrained environment, and we need continued support from Congress to make sure that we keep this funding at these levels or higher going forward.

MS. BURROUGHS: This slide is the inland and coastal supplemental funding, and this is where we separated out the supplemental instead of providing it on the other accounts that we showed before. It shows all that we are tracking with the large influx of funding in FY22, and we did

receive some Bipartisan Infrastructure Law funding in '23 and '24. As stated earlier in the presentation, the projects you see added by conference and work plan in the FY24 inland construction were mainly funded with BIL repurposed funds. That means, again, no required funding from the Inland Waterways Trust Fund. That's shown here on the slide in the orangish color. This slide, as I stated earlier, we received significant funding through the Congressionally directed spending and conference this year. The coastal portfolio breakdown is on the left and the inland is on the right. Focused mainly on inland where we received funding for Bayou Sorrel and J Bennett Johnston in investigations. In construction we received funding for four of our major inland projects, including Chick [Chickamauga]Lock, Lower Mon [Monongahela], NESP [Navigation and Ecosystem Sustainability Program], and MKARNS [McClellan-Kerr Arkansas River Navigation System], Three Rivers. All of this was funded with the repurposed BIL dollars and O&M we received over \$124 million. I highlight some of the types of work there on the slides. It's broken out by major maintenance, dredging, and critical non-reoccurring maintenance and repairs. This slide shows the projects that were funded in the final work plan through funding pots. It's a summary across all of the accounts. There was only one project funded in investigations which was coastal. All three construction projects were coastal. Then inland received about \$17 million in O&M and \$10 million in MR&T, dredging. As stated earlier with the Congressionally directed spending increasing, we're not seeing as many or as large funding pot levels as we had in times past.

MR. SMITH: Tiffany, is it fair to say, just to point out for the Board, that \$16.7 million is less than what we've had in years past?

MS. BURROUGHS: Correct.

MR. SMITH: Because we had grown accustomed to being able to address emerging challenges a little more directly with these funding pots. But the counter effect of the increases in the Congressionally directed spending is a reduction in those funding pots, which is causing some changes in how we have to operate inside our own business processes.

MS. BURROUGHS: Correct. Historically, I believe we would receive a \$50 million or so funding pot, specifically for inland O&M. We didn't get that in FY24. Yes, that did impact for sure. This slide highlights the investigation projects that were funded in the '25 President's Budget. Oh, sorry, sir.

GENERAL GRAHAM: Tiffany, that's part of the story. When we talked about with the funding pots and the work plan. But we have to tell how much O&M money we received as earmarks Do we lay that out? That's the Congressional. You said \$50 million is what we had traditionally got?

MS. BURROUGHS: \$50 million we would typically get as a funding pot.

GENERAL GRAHAM: As a funding pot. Okay.

MS. BURROUGHS: Right. That we could have the discretion to –

GENERAL GRAHAM: Understand.

MS. BURROUGHS: -- recommend to Congress which projects we would use to fund that \$50 million. In FY24, we got \$124 million specifically earmarked for projects by Congress. In the funding pot, we did not get an inland-specific funding pot. We had two of the funding pots we did have the flexibility to fund some of the inland projects with. However, we had some top line requirements for HMTF [Harbor Maintenance Trust Fund] that left us very little room to be able to fund some of the inland O&M work.

GENERAL GRAHAM: Just focusing on the inland O&M, which is near and dear to everybody's hearts here, \$50 million discretionary somewhat in work plans in years past and you said \$124 million of earmarked. Was that all inland?

MS. BURROUGHS: Yes.

GENERAL GRAHAM: I don't want to simplify this more than it should be simplified. But \$50 million is what we originally got and now we're getting \$120 million? Is that a good comparison?

MS. BURROUGHS: Well, if it's earmarked, it may or may not be our specific highest priority projects that we --

GENERAL GRAHAM: Okay.

MS. BURROUGHS: -- want to put forward is the challenge.

GENERAL GRAHAM: That's what we have to make clear to the Board. A new dynamic that's out there as Congressionally directed spending's back and how is that spending being directed. Is the pie getting bigger for O&M investments in the inland system? We need to lay that out for you clearly. Tom, do you have any comments on that?

MR. SMITH: I think I understand, sir, your point, and I think it's fair to point out that there's an arguably a positive effect of Congress directing money to certain places, and we probably need to give some feedback about where we think that amount is in alignment where we might typically want that funding to go. Once again, we try to use a performance-based process that talks about the consequence of failure and the risk to commerce and other things. We can expand on that. I don't have off the top of my head an example of any large ticket item there. Tiffany, if you might, about where it's going that might resonate with the Board beyond just a number. Do you have any recollection of what some of those activities are? I'm not trying to get you on the spot here. But I guess I just did.

GENERAL GRAHAM: But we are putting you on --

MR. SMITH: That's fine. I did.

MS. BURROUGHS: No, sir, I don't have them all off the top of my head, but we can definitely get that to the Board, the projects that were funded under that.

MR. SMITH: While you're on it, though, it even goes, I think, Chairman was asking before about the President's Budget versus Congressionally directed spending if you look at the construction. Look at the amount of money that is being Congressionally directed spending there

versus what you see in the President's Budget and that's the very sophisticated dance that occurs above us about where's the construction funding being designated from. Is it being designated by the Administration or by the Congress, because that's a significant amount of money if it's being Congressionally directed.

GENERAL GRAHAM: Right. We want to make sure that it's being directed to what we believe is the greatest needs and Tom has a good process, the asset management process, to see what shape the inland facilities are in, and of those, which ones are the most important for us to address. With that knowledge, that's how we ask the Districts to make sure that their Members are informed on that. Certainly, it's Congress' decision on where the funding goes, but we want to make sure that that's an informed decision based on, again, as Tom said, what needs money the most. It's not we're beginning a new era or just dipping our toes into a new era. We are smack dab in the middle of it now. We owe you the analysis of is that helping to provide a more reliable transportation system for you in your industries. If there's analysis that you would like to see on that, just let us know.

CHAIRMAN MURPHY: General, Spencer Murphy. Just to clarify what I think I heard. The Corps has its own priority list of O&M projects?

GENERAL GRAHAM: We do.

CHAIRMAN MURPHY: If a dollar comes in, you have a list of where you would spend that dollar and are you sharing that with the Congress appropriations committee? Do they have that information from you so when they are considering directing funds, do they have your list to go against to compare?

GENERAL GRAHAM: Yeah, Tom.

MR. SMITH: If I heard the question was are we sharing it. I think directly with individual Congressional leaders, I don't know how I would answer that. Our process is transparent. We brief on it, this performance-based process we call it O&M 20/20 with a lot of filters for criteria that are given to us over the years, we submit that up as part of the Chief's Recommendation to Mr. Connor's office and some subset of that is what gets put into the President's Budget. I'm going to get a little bit outside of my expertise, but when a Congressional office indicates that they want to direct funding to a certain place, they do check; there's a process that they check with us on. Do we have that capability and other things. I don't think they see our entire 1-N list of our entire portfolio or chief's recommendation.

GENERAL GRAHAM: Here's, when I asked this question before, here's what one answer I was given is, when we send over the President's Budget, that's prioritized by what our needs are and that one certainly goes to Congress. We're looking at; are they funding what we said the top priorities are. Those priorities are listed in the President's Budget submission for FY25. If Congress adds other things to that, they've done what we asked them to do, what the President has asked them and what the agency's asked them to do. They want to fund other things above and beyond that, they would not see our one 1-N list on that.

CHAIRMAN MURPHY: Just something to think about in order to improve the process and to maybe avoid potentially misaligned where you would like money spent on one thing and Congress is telling you to spend it on another, which I think is the problem we're trying to avoid, or one of the problems we're trying to avoid. To the extent you can share that either with us and we can share it with Congress and weigh in and give our two cents on that. It might help prevent that disconnect.

GENERAL GRAHAM: Okay. Just wanted to share that with the Board, Matt, as we are in this new era.

MR. WOODRUFF: This is Matt Woodruff. It seems to me that by definition what is in the work plan is money that Congress is allocating beyond that which was in the President's Budget. They're giving that money blindly to the Corps of Engineers without any knowledge of what was next on your list beyond that which was in the President's Budget, which is historically not all the money that ends up being allocated to O&M. Even if you're not asking for the money, because the President's Budget doesn't include it, I know that you have some limitations there on what you're able to do. If there could be a public document, these are the things we would spend money on, that would help the people who are appropriating the money, the people who are requesting the Congressionally directed spending and those who are advocating for increased Corps spending to ensure that the money goes to the places where it's needed the most. I recognize that if it's not in the President's Budget, you can't necessarily call it a request. But it seems like there could be some sort of nomenclature used that would allow you to show a prioritized schedule of O&M when funds become available or something like that, that would help guide everybody.

MR. JUDD: General Graham, Damon Judd. I guess, for me this also kind of ties into Mr. Webb's question and the statement he made around reliability because ultimately the goal here should be improving reliability. If we're getting more, but the structure of what we're getting is not enhancing reliability in the near term, and if you combine that with static O&M environment, but static in an inflationary environment, I think it would be very helpful for us to understand what does the Corps need to be in an environment where you feel confident that we have, static to improving reliability versus deteriorating reliability. I know it's hard to answer that exactly. If that is part of that we need to be advocating for a funding pot concept to make sure you retain discretion over priorities, I think that's something that we could probably add to some of our talking points around structure of funding as well. If we're spending more and getting less in reliability, then we're not accomplishing the mission.

MS. BURROUGHS: I know I'm probably over my time. This slide just highlights for you guys the 2025 budget in investigations. Most of this was dredge material management plans. There were only three states that were funded. You can see two were inland and one was coastal. This slide just goes over the breakdown for what was in the 2025 President's Budget and construction account. This gives you the highlight for what was in 2025 in the O&M account, and it breaks it down by activity. Obviously on the coastal side, a large chunk of the work is dredging. On the inland side, most of it was operation and maintenance activities. We did have about \$30 million of major maintenance work as well. That concludes my slides pending any further questions.

MR. CLOUSE: Thank you, Ms. Burroughs. Next up we have Mr. Craig Moulton. He's going to be giving us a status update on the major rehabilitation reports. Mr. Moulton.

MR. MOULTON: Good morning, General Graham, Ms. Brown, Chairman Murphy, Members of the Board, Federal Observers. My name is Craig Moulton. I'm the Inland Navigation Program Manager for Headquarters and I'm here to provide you guys an update on the ongoing major rehab reports. This right here is the updated slide similar to what presented on during the last IWUB that has the updated status on all the ongoing major rehab studies and the one that is funded for construction. I do want to highlight the five projects that have an update since our last meeting. The first one on there is TJ O'Brien on the Illinois Waterway. That actually received construction fundings out of the BIL and is currently ongoing design for the first phases of the project. They do have a future funding need of \$32.4 million, and assuming that gets picked up at some point, the current projected completion date of 2031 to complete the major rehab there. The next updates I have are off of the MKARNS. First at David D. Terry Lock, that MRER [Major Rehabilitation Evaluation Report] is currently on hold. The screening was completed and they're pending additional O&M funds to continue moving that one forward. Webbers Fall and Robert S. Kerr are also on the MKARNS. Updated status on those, they have completed the MRDM [Major Rehabilitation Decision Milestone], and they are looking at the alternatives evaluation analysis. Projected completion for both of us those is 2025 for the reports. The final update I have on these is for Racine Lock on the Ohio. The status remains the same, but we did dig into the schedule and the updated schedule has a report completion scheduled for 2027 on that one. The remaining projects on there are still the same status from the last meeting. Pending any questions, that's the current status of our major rehab program.

CHAIRMAN MURPHY: This is Spencer Murphy. Just a couple quick questions. The \$32 million for TJ O'Brien, do we know what year that's going to be needed?

MR. MOULTON: I would have to defer to LRD for more details, but I believe that is in their '26 request for additional funding. I think they can use the funding as soon as it becomes available.

CHAIRMAN MURPHY: Okay, then just more generally for this whole list, how many of these are dam rehabs versus lock or is it both?

MR. MOULTON: Most of them include lock components. Some of them are a mix of lock and dam. I do not have the full details on the scope on all these readily available. But there are some dam components on some of these, but most of them at least include some of the lock involved in it.

CHAIRMAN MURPHY: Okay. Maybe as a follow-up, if we could get the breakdown of the extent these are dam projects versus lock, that would be helpful for the Board, I think. Then will these all require construction authorization or is it more O&M?

MR. MOULTON: I don't believe they would take authorization, but once the reports are done, they would compete for CG [Construction General] funding that would be cost shared with the trust fund.

MR. SMITH: Craig, I think the question also is will they all require it. Well, that depends on the MRER. It could, if there's some criteria in the report about the amount of money, the impact it has on the structure, and the time it takes to do the work, those criteria will produce an outcome which is whether it should be funded as construction or O&M. There are probably those with insight on the condition of each of these locks that could probably predict to you based on their expertise, which would be construction or O&M, but it's not predetermined which one, where they will land.

MR. MOULTON: Thank you, sir, for the addition. That is true because there are –

MR. SMITH: If that was a question?

MR. MOULTON: If they don't pan out –

CHAIRMAN MURPHY: Obviously we would like to know as soon as we can at what point is this looking like you might try to tap a trust fund for it or is it strictly O&M?

MR. SMITH: I think this is a growth area for us with the Board. I mean, you've asked for, I think, a few meetings ago and they just start talking about this more openly because we get focused on a lot of these capacity growth ones like Lock and Dam 25 and then, these MRERs, which a lot of them funded as the Bipartisan Infrastructure Law, they obviously will compete for construction dollars or at least demand construction dollars. But they have the intended impact of extending the serviceability of the lock for 50 years, I think is what we used in the rubrics; important work.

MR. CLOUSE: Thank you, Mr. Moulton. Next up we have Mr. Michael Tarpey and you're going to get a double presentation from him. One on the current update on the Capital Investment Strategy and the Lock Modernization Update. Mr. Tarpey.

MR. TARPEY: Good morning. For the record, my name is Michael Tarpey, and I am a Senior Program Manager at the Headquarters on the Navigation team. Good morning, Chairman Murphy, Major General Graham, Ms. Brown, Board Members, Federal Observers, and Distinguished Guests. Today I'm here to talk about the 2025 Capital Investment Strategy. Next slide, please. The purpose of the briefing this morning is to receive the Board's feedback on the draft report that was sent ahead as part of your read aheads. The 2025 CIS is a statutory requirement to update every five years the Capital Investment Strategy. This has been done in conjunction with the navigation industry stakeholders. They're part of our PDT [Project Delivery Team]. Next slide, please. This slide covers the scope, the schedule, and assumptions and our timeline for what we've done. We've met at several key points with our stakeholders going through the timeline to ensure that we have alignment with the stakeholders, as well as the internal Corps team on the scope, the schedule, assumptions, we did that in January. We had some draft scenarios that we worked within the group in February and March. We had a draft presentation to the Board in April. The team reviewed the draft report in June getting feedback that's incorporated. That's what you have before you today. The next steps we have is to discuss it today with the Board and then from there we will work with the Secretary's office to hopefully get this report approved and transmitted to Congress later this year. Next slide, please. This slide

covers the active projects that we have. There are ten active projects, some of them are in construction and three of them are in the design phase. You can see they're in priority order and the construction projects are in the priority order of the amount of funding left to complete. The first three projects, the Charleroi, the Three Rivers, and Chickamauga are funded to completion at this time. We have an expectation based on a potential earmark in '25 that Kentucky could be funded to completion next year leaving Montgomery, Lock and Dam 25, and Lagrange are three projects that are going to need funding. There are three projects in the design phase. We have Brazos River, we have Emsworth, and we have the TJ O'Brien major rehabilitation. Next slide, please. This slide is a slide that the Board has seen before. It covers the scope, the assumptions, and the key tenets. I put this slide back, although you've seen it before, just to remind people of what's here. The timeline is from 2025 in the scenarios you're going to see, received through 2044. That's our 20-year timeline. It incorporates the cost share changes that we saw from previous WRDAs [Water Resource Development Acts] so the cost share in this one for all scenarios is 65/35. We've refined the categories to reflect the current environment. Our goal is to fund projects to minimize cost growth and expedite construction completion. Our target as we looked at these scenarios, where it was appropriate, we tried, particularly with the future projects to fund the construction such that the project was constructed in eight years or less. Next slide, please. We had three scenarios that were laid out. The first one is inefficient, and this is constrained funding based on historical trends in execution. One of those historical trends was the time that it takes for projects to be constructed, such as Charleroi, Chickamauga, or Kentucky. We've seen extended timelines on these. In the 20 years, from 2025 to 2044, in the inefficient scenario, we would complete eight projects, or we'd fund eight projects to completion, two would be in construction ongoing, and there'd be several major rehabilitations for a total of \$7.68 billion. The second scenario is the efficient scenario. What assumes that there's timely and certain funding to efficiently construct the project. In that timely and certain funding, we have one construction contract to build the lock project. In the 20 years, ten projects would be completed. One would be ongoing, and several major rehabilitations would be completed for a total of \$9.75 billion. Lastly, there's the enhanced scenario where the BIL projects would be 100 percent federal, and the annual program would range from \$5 [million] to \$600 million. It also assumes that the construction is completed in one contract. In the 20 years, 11 construction projects could be funded to completion. One would be ongoing, and several major rehabilitations would be completed for \$11.55 billion. Next slide. In the scenarios that were in the report that we referred to generically as the next mega project as next Lock A, next Lock B, and next Lock C. The PDT made this recommendation based on some uncertainty that's out there. We have several projects in design, we have several projects that are potential candidates in the feasibility study phase. We thought it was premature since the next construction project could now start from somewhere between 2034 and 2042 is when based on these three scenarios when things could start. Next slide, please. In summary, this is a five-year update of the 2020 report. It's a statutory requirement. It is a planning framework that informs our budget but does not direct the Administration to budget the amounts shown. The key that the team feels is annual updates are essential because things happen in appropriation bills and authorizations. Annually, the scenarios should be updated and presented to the Board to keep timely and relevant information in front of the Board. The goal throughout this is to construct projects in eight years or less and when you

look at these scenarios based on the current funding trends, as well as the cost share the PDT believes that no more than two projects can be efficiently funded at a time and that's what we developed it on. That's end of my presentation. I'd open discussions and comments from the Board that the team could take.

MR. JUDD: Mr. Tarpey, Damon Judd. I know that the team's been working very hard on this and we're very appreciative of that. I guess in light of some of the election dynamics, I would just encourage us to really target a December 2024 submission versus the January 2025. I think a month here could really matter in terms of getting this wrapped up and over the transom.

MR. TARPEY: Thank you. We are working hard and focused on delivering as soon as possible to the Secretary's office and work with them to get it submitted as soon as we can. We got to recognize that timeline.

CHAIRMAN MURPHY: Spencer Murphy. I would just, again, compliment the Corps team on the work that's been done so far. This is one of the most important things we do outside of the Board to make sure that we are aligned with the Corps and this our bible is what I've said before. To Damon's point, in order to make sure that we are protecting ourselves against the uncertainty of what might come in a new Congress and a new Administration let's get this buttoned up because I think we're pretty well-aligned, the working group, on what we want to do. I think we are in a good position to get it buttoned up.

MR. TARPEY: No further comments, you're going to let me off that easy?

GENERAL GRAHAM: I'm going to poke Marty a little bit just to see because he's been strangely quiet over there today. We might need to get him some more coffee. Do you have in the backups, do you have the actual charts?

MR. TARPEY: Yes, I think we do.

GENERAL GRAHAM: How about we pull up the scenario 2. I think you all have these. As the Chairman said, these are important that we lay this out. Last Board meeting we talked that we can really fund construction of two locks sufficiently at any one time. Mike, I have that right?

MR. TARPEY: Correct. I mean, that's what the team feels. As you look at these scenarios, it's laid out that way. You have a head-to-tail relationship. One is taking off and taking dollars, one's finishing up is how it lays out.

GENERAL GRAHAM: Stay on this slide. But on the map slide that Michael showed at the very beginning of his brief, the path we're on right now has three locks in construction, once we finish Kentucky, Chick, Three Rivers, and Lower Mon. That's Montgomery, Lock and Dam 25 we were at yesterday, and Lagrange. That's the path we're currently on. I just want to make sure that we're all clear on that. We can fund, we believe, according to that slide, two locks in construction efficiently. We're on path right now to be working on three. We would like to figure out how then if that is the reality, then we got to figure out how to get efficient funding for three. Or if that's not the reality, then we need to throttle back one and stay on two of them until we efficiently get them done. Congress makes these decisions on what gets funded, but you have

input to those decisions. Right now, the reality of where we sit, we're going to have three projects ongoing, and we have the ability to efficiently fund two of those. Correct, Michael?

MR. TARPEY: Correct.

GENERAL GRAHAM: Okay.

MR. TARPEY: That's what we see here, we have two efficiently funded and the team felt like we had Lagrange is not receiving funding until we've got both –

GENERAL GRAHAM: We're going to do a little thinking out loud here, which is always dangerous in an open public meeting. Tom Smith over there is starting to sweat. I'd be interested in the Board's thoughts, that we throttle back one and we efficiently stay on the other two. Or we make a compelling case that funding levels increase to efficiently fund three. Now, let me turn it over to Marty for Marty's thoughts.

MR. HETTEL: General, Marty Hettel here. In your scenario of three being funded, under this efficient funding, please realize Lagrange is only looking at \$15 million and \$16 million in '29 and '30. Technically, we still only have two projects going on at that time, which would be in 2031, Brazos and Lagrange. Lock 25 under this efficient funding scenario would be funded to completion. Once we get past the Brazos Floodgates, then the next Lock A wouldn't start for another four or five years. Technically, I understand it says \$15 million in '29 and you're saying three different projects, but technically it's really only two when you look at the big numbers. That's the way I look at it.

GENERAL GRAHAM: Michael.

MR. TARPEY: Well, if we go back to the map, based on, what Congress appropriated the team felt like Lagrange is in construction now. It is receiving construction money and when you see the Lagrange presentation, I believe they're awarding construction contracts this year based on the money that Congress has given them. Based on these efficient scenarios, looking at the cash flow we cannot get money back to them until five, six years to reinstate where they're at and then really see in 2031 is when the big dollars come. Based on the current trust fund balances and cost sharing, this is what the team thinks is efficient.

CHAIRMAN MURPHY: Spencer Murphy. I would also just say noted. But also, industry, we weren't pushing for Lagrange to get FY25 dollars. I think Marty's point is correct, which is all going well or as planned, we would not want to fund Lagrange until we're really ready to do so. I don't think that necessarily contravenes the two at a time rule. But at the same time, I mean, if the Corps can prosecute three at a time and they are funded efficiently for three at a time, well, that's fine. But if not, this is our goal. It's an aspirational document. It's not a control document.

GENERAL GRAHAM: Absolutely, on those aspirations, I'm going to repeat myself here for just a minute; that we believe with the current funding paradigm, we can efficiently fund two locks in construction at any one time. But if Congress wants to have three going at any one time, we have to have a clean ask that our funding needs to get raised up to this level. A clean ask so that we can efficiently deliver three at one time then. We need to help lay that out to the Board. If

Congress wants to start three, that's their prerogative, here's the level we need to be aligned for; here's the ask, here's two efficiently, here's three efficiently. I think our recommendation to the Board is we shoot for efficient. We don't want anymore Charlerois. We don't want anymore Kentuckys. You've been loud and clear on that. No more locks taking 25 years to build, eight to ten. Mr. Lopez, eight is better than ten.

MR. LOPEZ: Yes sir.

GENERAL GRAHAM: Just checking. Because we got to get this done and move on to the next one and move on to the next one. I just want to make sure that we see this clearly. If Congress, their call, let's start three, we got to efficiently deliver three, here's the number. We'll do good cost engineering, we heard you loud and clear. We'll get to recapitalize this system efficiently, which is what you want.

CHAIRMAN MURPHY: Yeah. But also, General, that just reinforces our earlier comment about the need for good capability numbers.

GENERAL GRAHAM: Absolutely.

CHAIRMAN MURPHY: So that industry and the Corps and the Congress are all looking at the same playbook.

MR. WEBB: Jeff Webb. I think Mr. Tarpey did a really nice job here on this efficient scenario of looking at the enterprise and not putting on aspirational numbers on certain years that we can't hit. For me, looking back at it and looking at the totals, is it realistic to fund construction somewhere between \$400 and \$600 million? Depending what number you pick, there will determine if we can pull a project forward or not. To me, this is a good starting point and he's done a really nice job of outlining because it looks to me like we don't have too much started on our own accord without another Congressionally directed spending that would tell us to start another project prematurely.

MR. JUDD: Mr. Tarpey, just a question on process. Damon Judd. Do you need the Board to formally make a motion to approve the draft of the report in order to submit it to Mr. Connor's office formally, back to this timetable issue?

MR. TARPEY: I think it would be beneficial that the Board recommends it. It's not required. But we're required to coordinate with you. If the Board has reviewed this and concurs with it, I think that'd be a powerful statement as we move forward in this process.

GENERAL GRAHAM: We could do that email. I understand you want to get this done before December.

MR. JUDD: Maybe at our next meeting time?

GENERAL GRAHAM: Yeah.

MR. JUDD: Great.

GENERAL GRAHAM: We might be able to do that, distribute it.

MR. JUDD: I'll table that.

GENERAL GRAHAM: Certainly, acknowledge December.

MR JUDD: Yes.

MR. WOODRUFF: This is Matt Woodruff. I just want to follow on I think we got out a little bit ahead of our skis on the BIL. We had numbers that we thought were numbers to fund projects to completion. Congress took that information and said go do these things. Now reality has set in, it's going to cost, in most cases, far more than anticipated. I think we jumped into projects thinking that they could be efficiently funded, and we now know that they can't. What we don't want to do, at least in my estimation, is continue the errors of the past by plowing ahead and trying to build more projects at one time than we can efficiently fund because we'll find ourselves right back where we were 20 years ago where we have inefficient funding, we have steel rusting in the ground because we can't afford the concrete to pour on top of it. We don't want to go there again. If that means we say, okay, we thought we could do Lock 25 and Lagrange and all these other things at the same time, but guess what? We can't. Let's shut down Lagrange and wait until we can efficiently fund it, I think then that's the right way to go because we know that these other projects are going to need more money than was anticipated. My view has been for 20 years and remains today, let's only take on as much as we can efficiently fund, get that project finished, and move on to the next. Ultimately, that will get us the best result for the industry and for the nation.

MR. HETTEL: Marty Hettel here. Matt, I agree with you. When you look close at Mr. Tarpey's schedule here, look at that bottom line, Inland Waterways Trust Fund balance. According to this schedule, if this funding is on this path, we never get below our \$20 million minimum balance. That tells me that these can be done under this scenario. I agree with you and then Brazos is always a question when that's going to come into play. But, I mean, you look at what Mike has done here, and it says the trust fund can efficiently fund these.

MR. TARPEY: I'll just say, it is not just Michael Tarpey. There's a team behind me. I only look good because there's smart people I work with. Thank you.

Let's move to my next presentation on Lock and Dam Control Modernization. Next slide, please. Paul, do I need to restate my name for the record or am I still good under the other one?

MR. CLOUSE: No, you're good, Michael.

MR. TARPEY: The Board has been previously briefed on lock remote operations, at the 96th Users Board meeting in April of 2022 and the 99th meeting in April of '23. The purpose of today's briefing is to inform the Board the progress and path forward for controls modernization, which is the first phase of work after the national assessment that I'll explain more detail during this presentation. I want to stress that the Corps' long-range goal is to adapt and modernize our lock and dam infrastructure and operating procedures to be prepared for the future of navigation on the inland and intracoastal system. The national assessment concluded in 2023, proposed a road map to prepare for this future based on the diversity of infrastructure and the national plan anticipates different solutions in different district and regions. At some sites, the controls will be

modernized, and if there's a business case, then remote operations would be possible. At other sites it's not possible to do offsite operations or remote operations because of instances like tow haulage. But the key is still to modernize the lock and dam controls there to be prepared for that future. As we look at this controls modernization, it's a decade plus journey for us to do it. Hence, that's why we're focusing on that in the name of this presentation.

MR. SMITH: Michael, let me just make a comment as you start this. You've seen this before; we had previously titled these slides remote lock operations. This is a bit of a rebranding because that was confusing people to think that what we're trying to do is run our lock and infrastructure from South America or something, it was really causing a lot of hangups. What we're really committed to doing is modernizing our lock infrastructure and that comes along with the sensors and the gates and the monitoring and those capability. There is the potential to use the centralized controls periodically where it works best. You've seen this before, if you're wondering what this is versus what it was before, it's a little bit of a rebranding because the wrong messages were being sent.

MR. TARPEY: Thank you, sir. The vision is still to implement modern lock and dam controls to prepare for the future of navigation. Those modern controls are digital controls. It's a PLC [Programmable Logic Controller], which is an industrial computer. That's what runs behind it. Versus analog or even I think the Board's been at some sites where they still have hydraulic levers. We want to bring all those controls up to where things are today to be prepared for those future solutions. Our goals are still consistent national implementation. They are commonality, they are life cycle investment, plan for the future, and then taking care of people. Those are the Corps' commitments that we've laid out in this vision and as we're moving forward into the controls in the future. Next slide, please. As we look at this, there is a strong business case to modernize controls. Modern standardized controls will prepare for the future. It will increase our reliability and resiliency. It's going to reduce our operating costs. We know there's challenges out there. Cybersecurity is a big one. But the Corps, as I've stressed in previous presentations, we modernized our controls in hydropower. We have decades of experience without incident. This is something that if we keep focused on it, we can do it. Is it easy? No. But it's something that we are committed to and doing. We recognize there's challenges to maintain these controls. There're initial and recurring costs. That's part of that business case that we're going to lay out to do this work and there's opportunities. I mentioned the driver for this is what does the future look like. We don't know what the future looks like, none of us. But we see it as automation, whether it's automated ships. How do we prepare for that, and we want to be implementing the things today in our historic appropriations. Next slide.

MR. HETTEL: Mike, Marty Hettel here.

MR. TARPEY: Yes.

MR. HETTEL: One comment. Go back to your benefits if you would, please.

MR. TARPEY: Sure.

MR. HETTEL: You state work force workplace safety. That's for your lock operational personnel; correct?

MR. TARPEY: Correct.

MR. HETTEL: I have concerns. I always look at the safety of our professional mariners. We have an incident at a lock, the lock master is usually the first one to respond. If he's not there, who's going to be there to help us out?

MR. TARPEY: Yes, if there's nobody onsite, how does that happen? That's one of the things as we go later in my presentation when we talk about the regional implementation reports that's a document, we're trying to make a decision if the remote is the future path. Working with industry, how are we going to respond to all incidences, whether there's something on the tow, somebody falls in the water, there's a medical emergency, all those things we need to work with industry to develop solutions before we do that. We have to have that business case and that's part of it, to make sure that the mariners are safe, as well as our recreational boaters and our Corps staff.

MR. HETTEL: That is in consideration before you even do this?

MR. TARPEY: Correct.

MR. HETTEL: Okay.

MR. TARPEY: As I walk through the timeline, and how things might happen, it'll help describe things a little better.

MR. SMITH: Marty, before we even do this, before we even do what. We need to modernize these controls. The last step that you refer to, which is where we were trapped a bit by this discussion is that the Corps was going to take its, whatever, 1,200 lock workforce and just dispose of them and just operate these remotely. That is a decision that perhaps we will make, somebody will make regionally, Commanders and others, at specific places because it's the right thing. But the idea that we need to modernize our system with sensors and cameras and the other things that are taking place all through infrastructure all over the world, we need to go. We're calling this lock modernization. You've got some additional slides that will show you it's a leap to do the last step, which is to remove the staff and the people and the faces. That is a decision based on conditions. It may be that we do that in some very isolated cases, or it may be that we don't do that for the reasons you bring up about safety on a particular site.

MR. TARPEY: Correct.

MR. HETTEL: Just one last comment on that, Mr. Smith, depending on which lock these guys are going to be remotely operating, as an example, Algiers passed 25 tows yesterday in the last 24 hours. IHNC passed 18 tows. One person trying to manage both those locks, to me, would be overwhelming for one person.

MR. TARPEY: Correct. If you can hold that question, let me go through the presentation and maybe there will be a good time to talk about it. Next slide, please. The timeline as I mentioned,

the national assessment concluded last summer there was the approved framework which we talked about the implementation plan and operation to move us along this journey to modernize our controls. The first phase here is controls modernization. That's where we are today. We're initiating the development of national standards, so we have that consistent implementation across the country. Then as we start, new projects come along, whether it's the capital projects that we're here discussing today, it's our O&M projects, our major rehab, or our major maintenance projects, we've got a standard that we can apply those modern controls and invest in it to prepare for the future. The regional analysis phase, that's the decision phase where we want to look at where are we going in the future, and I'll have in slide 8 more information on that. Throughout this process in my slides, you see the brown bar on the bottom, communication. The foundation of what we're doing is communicating internally and externally to make sure our partners know at the national level, as well as the regional level, and the District level, what's happening, where we're going with things. Next slide, please. We have a notional timeline out there and you'll see on the right in the steps. Currently we're in this phase of developing national standards over the next several years, to build these out. Then we'll implement controls modernization for our locks and dams. In step 3 of that notional timeline, is to conduct the regional analysis. That's all covered more in slide 8, but that's the decision. We're working with at the regional, the District level, that lock and dam, the people in that pool, the stakeholders to come up with a solution, one that looks right and it may not fit everywhere. On low use systems that have to schedule locking, maybe there's a solution there that makes sense. We can have increase in availability through modernizing our controls. On the high use sites that you talk about, Marty, it may not make sense. There's so much traffic going continually that we need people there 24/7 as we have today. Next slide, please. We have three operational scenarios. You have the local operation where somebody, and that's the majority of our sites, is physically out at the point of control, whether it's a lock gate or a dam gate, we have staff going out there to push a button and observe what's happening. Some of our newer sites and when I say "newer", Mel Price would fall in that category that they operate from a control room. We've been doing this for 30 years. Safely operating locks from a control room using cameras and sensors for over 30 years. The question about what the remote future looks like is that offsite control. We're moving those control sites potentially, if there's a business case and it can be done safely, offsite. Those are the three ranges that we're looking at. Next slide, please. In this phase 2 that I talked about before, this is where we're looking at controls modernization. It's still on project operations. We're talking about modernizing your controls and then we're going to be able to control that project from a control room, similar to what you would see at Mel Price here in St. Louis or Lock 27 which has modernized controls. If we go to Olmsted, we go to McAlpine, a number of projects, as well as Charleroi coming along, we can operate from a control room today. The question that people look at is that project operation or remote operation, that's where there's operational and business process modernization. That's a future step that we are not taking now. It's in the future that we're not ready for. We know we have to have the controls modernization as a critical first step and that's going to take us a while to do that, to have a critical mass of projects before we could even consider moving offsite. The next slide. The regional implementation reports, if that decision is going to be made in the future, this is the decision document that we would come up with that detailed site assessment. What are the physical infrastructure changes?

What are the operating procedure changes? What is the staffing procedure changes? What is the coordination with industry? With the marinas? All those people to figure out what looks right for that solution and how do we move it forward in the future. The way we've laid out the process, go through this detailed report and you need to have an approved report before you start budgeting and implementing for that transition to offsite operations. We try to build a robust process with checks and balances to make sure that everybody's coordinated with that. Next slide, please. On the personnel side, the Corps is committed to taking care of people. Our staff will be involved in this process from the lock people all the way through the Headquarters team. We're going to work together on working on controls modernization, as well as looking at that future offsite project operation. Next slide. Summary of the USACE commitments. We are committed to the safety and that means the professional mariner, it means our staff, it means recreational boaters. We want to ensure that we have consistent, reliable locking operations. There's going to be no changes with what we do today if we do controls modernization, we have that same experience today. That's what we do is lock boats. We want to maintain access during recreational lockages. That's critical to the public. We're committed to protecting the system. That means the cybersecurity, as well as physical security and we're committed to communication throughout this. That's the end of my presentation on this. What other questions and comments?

CHAIRMAN MURPHY: This is Spencer Murphy. Just a comment. You mentioned a couple times the cybersecurity and I would just emphasize that. I'm sure the Corps has struggled with this just like industry we are in an increasingly threatened environment. The idea that a CrowdStrike issue or some other cyber threat could lead to a blue screen of death, shutting down a lock, that's concerning. I'm sure that's part of the plan, but just encourage to make sure it is, to make sure there's a redundancy maybe in –

MR. TARPEY: There is –

CHAIRMAN MURPHY: -- an analogue backup available for all these things.

MR. TARPEY: We're building it from the ground up with cybersecurity in mind. Our UCIC [USACE Critical Infrastructure Cybersecurity], which is the Corps' Cybersecurity Center is part of the team to make sure what we're doing is first right as we start. As you look at those operations, if we modernize our controls and we're in a control room on a project and you have the blue screen of death or something happens, we are going to have those operating procedures that we're going to continue to lock boats. We're going to have secondary controls there. We will make sure that that's seamless. Now, is there going to be hiccups when things happen just like we have machinery goes out? There's going to be a hiccup, we're going to recover from that because that's what the Corps does to operate these projects.

GENERAL GRAHAM: We operate hydropower plants, many of those remotely right now. We got a team down there at Table Rock Dam that Tom Smith oversees, that it works the operational technology, and the Corps is the operational technology lead in terms of cybersecurity for the Army. We get lots of cyber help, lots and lots of cyber help. I'm pretty confident on that. To Marty's point, the safety of the mariners coming through the lock chambers is absolutely

important on this. The safety of our workers as well. On the night shift, we've got folks driving rural roads out by themselves. That's part of the calculus of all of this. You all run businesses and the efficient employment of labor is critical to what you do. That's what we're talking about here, is there a way to make sure that we're efficiently employing labor so that the funds we do have, we can put more into M [Maintenance] because we're efficiently operating them. If it's foggy that night or if something happens, we'll bring the staff out for at least an eight-hour shift, the maintenance team is going to absolutely be there. There're ways for us to work through this together. But the whole goal here is that we just efficiently employ labor to make a reliable system for you all. Safe and reliable. Mike, thanks for laying this out. We did the acronym count up here; you didn't do too bad.

MR. TARPEY: How many did I do?

GENERAL GRAHAM: I got ten. Let me do just a check on learning, Heather. This is whether or not he owes us a box of donuts the next Users Board. If you can tell us what a PLC is, then he doesn't have to pay us a box of donuts. PLC, Heather.

MS. GILBERT: Perfect Layed out Control panel?

GENERAL GRAHAM: Go ahead, Michael.

MR. TARPEY: There we go. I'll try to cut it on my next presentation that I won't use acronyms.

GENERAL GRAHAM: Programmable logic controller. Did I get that right, Lou?

MR. CLOUSE: Thank you, Mr. Tarpey. Next up, we have Mr. Ryan Reich from the Mobile District to give us an update on Demopolis. Mr. Reich.

MR. REICH: Thank you, General Graham, Chairman Murphy, and Board Members for having me back for a follow-up presentation here. My name is Ryan Reich. I am the Chief of the Inland Navigation Section at Mobile District. Next slide, please. Demopolis lock is a lock on the Black Warrior River. It's just below the confluence of the Tenn-Tom [Tennessee-Tombigbee] Waterway and the Black Warrior River. It's the busiest lock in the Mobile District and the second oldest lock in the District. Single chamber, 40-foot lift, 110 by 600 feet. Next to it is a fixed-crest spillway. On January 16th, the concrete under the upper miter gate failed causing a breach and uncontrolled release. Three days later, we were actually able to close off the flow by closing the lower miter gates with assistance from Parker Towing as you can see in the bottom left. The following day, we were able to place stop logs to dam off the lock. The repair efforts, one of the biggest pulls for that was cleaning up the debris from the failure. That took quite a while. Over a thousand tons of concrete fell into the chamber. The largest piece being about 400 tons. You can see we had to rent a crane from Louisiana to come over, 700-ton crane to lift some of those pieces because our fleet was not capable. The repair consisted of reinforced mass concrete placements in both the wet and the dry. Because the original concrete seal did not have any reinforcement in it. That was one of the reasons that we'll talk about later for the failure. Schedule: The failure occurred on January 16th, and we were actually able to return to navigation on May 16th; so, four months to the day. After the failure, we were tasked with developing an incident report on what the causes of the failure were and what we can do in the

future to prevent that. Our project development team consisted of members of Mobile District Operations and Engineering, as well as members from ERDC [Engineering and Research Development Center] and Pittsburgh District, who had subject matter expert matter background in concrete. The team approached this like a dam safety methodology with getting together, reviewing all historical background information, construction drawings, construction photos, then having a brainstorming session to figure out what exactly the cause was. Once all those ideas were extensively discussed, the most appropriate one was chosen. From there, they developed an event tree from a normal operating condition to the failure and the actual breach and we'll go over those event tree nodes here. Node 1, we'll start with the original design. At Demopolis, the upper seal was, I would say, less than ideal design. As I mentioned earlier, there's no reinforcement in it. As you can see in the top right of the slide here, there is a sloped concrete piece that ties into the horizontal part of the monolith and the little red vertical line is a partial construction joint. This partial joint exists in a very high stress area, which is a recipe for cracks and propagation. At some point in the 70-year history of Demopolis, a crack was initiated from all these different loading conditions that the project sees. It's a vertically framed gate, which means every time the miter gate is closed, it strikes that seal in the vertical part of the seal. Horizontal miter gates relatively sit on top of the seal. Vertical miter gates strike and bear up against the seal. Every time that gate closed, it was hitting that concrete and creating a crack and propagating it. Also, at Demopolis, this project has a history of barge impacts and incidents. There are some unique flowing conditions when approaching downstream and the monoliths immediately upstream of the upper miter gate have been struck many times and the actual miter gate itself, while it's in recess, has been struck, as you can see from these pictures on the bottom right. All of those impacts are transferring the energy into that partial joint creating cracks, propagating it. The third reasoning that the team came up with was temperature fluctuations. Every time this chamber is in lower pool, was exposed to the atmosphere hot, cold, expansion, contraction, that also adds to the crack propagation. A finite element analysis was performed and as you can determine, once the crack starts, all of these different events lead to the crack propagating more and more and the capacity of the concrete, therefore, reduces and eventually at some point over the 70 years, which was January 16th, the stresses in the concrete exceeded its capacity and it failed. What could be done for intervention? This type of failure is very unique. There's no signs of the failure. It's all under deep down in the concrete and we don't have any ways of really monitoring that. In normal conditions, all of this is always under water so, you can't see it from the lock wall. The only time you can really get down in that area is when the lock is dewatered. Even in those times when we were down there doing our inspections, there was no signs of cracking. There was no intervention. Once it sheered, the third of the monolith on the river side completely fell out and you can see pictures here. One thing to note, I'm not sure how well you can tell on this, but there is a different coloration in the concrete here. The team determined that this little piece was all that was hanging on when it failed on January the 16th. Original construction said the seal was constructed in three separate monoliths and here you can see the center monolith being prepared to be poured. There it's very smooth on the sides here, which meant there was not really any adhesion between the monoliths. The monolith for the seal was not keyed into the wall; it was sitting there by itself when it failed. Some other things that were done during the repair process, we teamed up with ERDC and our O&M contractor, R&D

Services, we obtained samples of the concrete. None of these samples showed any case of a bad mixture and they were uniform throughout. There was nothing wrong with the actual design of the concrete. We also did some coring of those large pieces that we removed from the chamber floor. From this, we had some future recommendations for the District and could possibly be used throughout the Corps, but we need to somehow identify a way to explore mass concrete for the presence of cracks. I don't think we have anything right now out there that can look down more than a couple feet. A lot of these cracks extend, at least 10, 20 feet. We don't have any way to indicate that there's something going on that needs to be repaired. We have a couple other locks in our District that have somewhat similar designs that we need to investigate. Selden Lock, which is immediately upstream of Demopolis, has a vertically framed gate as well. It does not have reinforcement in the concrete, but there are some significant differences there. The intake system for the culvert is different, which is a plus for Selden for a situation like this. They do not have nearly as much barge impact issues there, which is also another plus. Jim Woodruff Lock on the ACF River, Apalachicola-Chattahoochee-Flint, it was built around the same time Demopolis was. I think it was two years before, but it actually does have reinforcement in the sill. Sometime between Woodruff's construction and Demopolis' construction, it was decided to remove the reinforcement, assuming for cost savings. Some other recommendations the team provided was to keep the lower miter gates in the miter position as much as possible, even when we're not locking. That was the main reason for the uncontrolled breach when the failure happened. The lower gates were open. When that water came rushing through the upper gate, we couldn't shut it off. Another recommendation was during extreme temperatures, keep the chamber at upper pool so that upper seal is not exposed to the atmospheric conditions. I think the morning it happened, it was 6:00 a.m., it was probably 17 degrees, I think, which is pretty extreme for lower Alabama weather. That could alleviate some of those expansion and contraction issues. The last recommendation was to install more operational cameras so we can monitor vessel movements and make sure they're clear of the seal. Another issue that we have, this is probably Corps-wide, but specifically in the Mobile District, when we're lowering the chamber when a tow is going downstream, they will bump that miter seal, catch it as it's coming down if they're not clear of it. We have further stressed communication with the waterway users of making sure they are clear of the miter seal. We have painting on the lock walls that show where it's at to make sure they're out of the way so, they don't clip it as they're going down. That is the gist of the incident report for Demopolis. I guess I'll go on to Holt Lock, which is a new issue with Mobile District that has come out recently. Right as we were opening Demopolis in May, we got a call from our Project Management Office in Tuscaloosa that there were some issues at Holt Lock. In the past, we have had cracks in our machinery room floor of our control station, which is here on monolith 14R. We've been monitoring them for the last decade. There's been no significant movements, increase in flow or anything like that through these cracks. Right around when Demopolis opened back up, something happened and now, as you can see in this picture, we have some water intrusion into the machinery room, there's a couple other cracks in there besides this one, but this just shows some of the instrumentation. Also, this is the upstream bulkhead slot. A new crack formed back in May that caused concern. We also have a gallery in the basement of that control station and so much water was flowing into the gallery that the sump pumps were failing because they were running almost nonstop to keep up. What Mobile District

did, we sent a team of engineers up there to investigate and what they have determined. The culvert system for filling the lock runs right beneath this control station. There're cracks in that machinery room, line up almost perfectly with the wall of the culvert, which is 60-feet below. The assumption is that the cracks extend all the way from the culverts up to the machinery room and we are getting pressure from the upper pool through those cracks and that's what's causing these leaks was the initial assessment. We installed a lot more instrumentation along the monolith joints, along the cracks in the control room. There was a couple installed at the new crack on the bulkhead slot. We performed dye tests to attempt to find out exactly where the cracks were discharging into the chamber, and you can see some results of that down here on the bottom left. You can also see there's leaks coming through the monolith joint. After all these initial assessments were performed, we got our structural engineers to perform a stability analysis, found out that, in fact, the factor of safety was less than one. We made the decision to shut down Holt Lock on June the 22nd. We teamed up with ERDC because we had been trying to get an ROV [Remotely Operated Vehicle] out to site and were getting unsuccessful with the timeline and how urgent this was. But luckily our friends at ERDC were able to get out there as quickly as possible. They took an ROV down inside the culvert, down inside the chamber on the river side of the lock wall, looked at all these different areas, found some more cracks which we assumed there would be. Our engineering team has been analyzing that to help develop the repairs. There's been some updates to this since I submitted this slide show. We just awarded a contract to an O&M contractor to fabricate, deliver, and install a massive bulkhead that will go over the intake for the riverside culvert, which is located here. I think it's 26 feet by 35-feet bulkhead. That's due to be installed at the end of September. The thought process behind that is we will place the bulkhead there, place this valve bulkhead downstream of the valve, and we should be able to pump out that portion of the culvert, alleviating that head pressure from the upper pool. The thought process with that is that should increase our factor of safety back above one and we should be able to operate the lock until a more permanent fix is installed. The more permanent fix, throughout the Corps, this has actually happened, we found out at quite a few different locks, and the go-to fix is to install post-tension anchor rods through the lock wall, sewing the cracks back together. There will be a little bit different fix here. We'll do that, as well as probably have to install some into the foundation. But the engineering team is still working on developing that. That's about it up to date on Holt. I will go to questions now.

MR. HETTEL: Ryan, Marty Hettel here. Great job on the monoliths. Is this a four-month closure also? When do you expect to be passing traffic again?

MR. REICH: If everything goes through like planned, we will reopen early October. Because when we install the bulkhead, we have to do some testing, make sure all of our assumptions are validated. When we do that, we should be able to open back up to traffic.

MR. HETTEL: The main thing is to get the bulkhead installed?

MR. REICH: Yes, sir.

MR. HETTEL: Do your inspections, if everything's good, start passing traffic?

MR. REICH: Yes, sir, that's the plan.

MR. HETTEL: Which should be first half of October, estimate?

MR. REICH: Yes, sir.

MR. HETTEL: Okay. Thank you.

CHAIRMAN MURPHY: Just a quick question, Spencer Murphy, on Demopolis. Have we looked beyond the Mobile District for vertically mitered –

MR. REICH: We have not spoken to any Districts at this point, if they have vertically framed miter gates. That does need to be something we do, to reach out to them.

CHAIRMAN MURPHY: It just would seem to me who else has this similar design ought to be something that we look at.

GENERAL GRAHAM: Ryan, can you speak to try to accommodate the local industry who's upstream of Holt, that trying to –

MR. REICH: Yes, sir.

GENERAL GRAHAM: -- bring some coal operations and allow them to load –

MR. REICH: Yes, sir.

GENERAL GRAHAM: -- off the lower wall.

MR. REICH: Yeah, so upstream of Holt right now is a very large coal industry and they were obviously hurt with Demopolis and now they're being hurt even more with Holt being shut down. We are working with a couple tow companies to construct a temporary barge loading facility on the downstream side of the lock. I'm not sure if I would have a good picture. But it's basically a conveyor loading system where they would load maybe a couple barges a day of coal and then ship it down from there. But we're still in the infancy stages of that and I think they're trying to weigh out the benefits of it if we can open at the end of September. But that's to be determined. We're still in the beginning stages.

GENERAL GRAHAM: The District's working with local industry to see if we can mitigate the impacts to them to the extent we possibly can.

MR. CLOUSE: Thank you, Mr. Reich. We're running a little bit behind schedule right now; I'm still going to call up Colonel Jones, Commander of the New Orleans District. He'll be talking about the Bayou Sorrel Lock and the Inner Harbor Navigation Canal Lock studies. After Colonel Jones is finished, we're going to take a very quick break. It's all yours, Colonel Jones.

COLONEL JONES: Thank you very much. Major General Graham, Ms. Brown, Chairman Murphy, Members of the Board, Federal Observers, and fellow teammates, good morning. As you heard, for the record, I am Colonel Cullen Jones, the 65th Commander of the New Orleans District, and I am excited to provide you all an update on two critical lock replacement studies we are executing in South Louisiana. We can go ahead and go to the next slide. Starting off with Bayou Sorrel Lock, as everyone here can appreciate, this is a critical component of our Gulf Intracoastal Waterway alternate route, which takes you from Baton Rouge all the way down to

the Port of Morgan City, pretty much halfway between Port Allen Lock and Bayou Boeuf Lock. Going through looking at the authorizations in 2005 where we were able to conduct a replacement for this study with the initial estimated cost of around \$102 million going into pre-construction engineering design, also known as PED, in 2006, we saw substantial cost growth. That resulted in us, even though it was authorized in WRDA in 2007, to execute a post-authorization change report. Given the significant cost growth in what we saw as a potential downturn in the economic benefits there at Bayou Sorrel Lock, it was recommended to potentially push forward into just flood risk mitigation efforts there. But the good news is, and once again, I really appreciate the engagement with the Inland Waterways Users Board on how we could potentially reevaluate this location. Most notably, based off the great points brought up by this group, looking at the Lock Performance Monitoring System and how we adjust for delays in times using helper boats. What that did for is we were able to go back and get reauthorization or approval from the Assistant Secretary of the Army for Civil Works to reinitiate the study and relook at it. With that, we were able to express capability, and as you can see, the good news is we received \$800,000 in Congressionally directed spending to kick off this study with the goal of providing an economically justified, recommended plan that addresses both the navigation and flood risk mitigation efforts that are supported there at Bayou Sorrel Lock. What does that mean? As you can see, we're going to be able to re-examine the previous analysis, looking at it based off of current conditions and data. Looking at those original alternatives, originally looking at a 75-foot by 1,200-foot lock system, seeing if there's any other approaches that can both drive down that cost, but also ensuring that we're putting in the latest data and information to provide the most economically, justifiable plan. Integrating it up to date with the new navigation data on traffic, working with industry and the IWUB to see if the levels of traffic on there are justified. Also going back to entities such as the Department of Energy to have a better understanding of the oil and gas projections on there. All of that ultimately leading us to be able to conduct a thorough analysis and provide a good recommendation and Director's report to replace this study. Most importantly, being able to get to the point of updating our cost estimate or our level three cost estimate to provide that economically justified report. What do I mean by a level three cost estimate? Typically, we're looking at a design maturity between 10 to 30 percent, which enables us to also have the appropriate level of contingency for both cost and schedule within a risk analysis. Utilizing the best available cost estimating data that we have based off of current construction principles. All of that will enable us to come back with a Director's report to go forward and potentially replace this lock and increase its capabilities and the capabilities of the Gulf Intracoastal Waterway alternate route. We can go to the next slide. What does that mean? With the receipt of that \$800,000, we were able to initiate the kickoff of the study in July, just last month. As such, we are researching the available data, we are putting together our scope, schedule, and budget. That will kick us off on a typical three-by-three-by-three construct and ultimately getting us to an opportunity for an economic decision and moving in September of 2027. Now, with that, the critical aspect there is the partnership with both the Inland Waterways Users Board and industry. I know we've got elements such as GICA [Gulf Intracoastal Canal Association] on the ground floor working with us, working with our partners and stakeholders that are going to be utilizing this lock into the future and we're excited to provide critical updates on this as we move forward. Great news story, we have the funding in hand, we are moving out

on this study and with the goal, providing that economically justified report. I'll pause there on Bayou Sorrel and see if there are any questions?

CHAIRMAN MURPHY: Colonel, Spencer Murphy. Looking ahead, in order to complete the study, do you think you will need additional funds for FY25 or is that \$800,000 going to get you there?

COLONEL JONES: Just with the initiation of the funds with the \$800,000, we're going to come back and continue to express capability under that three-by-three-by-three construct to ensure that we have the requisite funds to be able to deliver a suitable report.

GENERAL GRAHAM: We're going to lay out how much money he needs to do the study properly. Not constrained by \$3 million. It's what do we really need to do to study this properly and he'll lay out a good budget and deliver. I think we're in a good spot here.

CHAIRMAN MURPHY: Just don't want to have a disruption because –

GENERAL GRAHAM: Absolutely.

CHAIRMAN MURPHY: -- ran out of money.

GENERAL GRAHAM: Absolutely.

MR. WOODRUFF: This is Matt Woodruff. I'd like to perhaps save some folks the trouble of going back through old Users Board minutes. I remember the Users Board meeting in Little Rock some years ago. Marty can probably tell us the date. But it was when we got the report that said we didn't need to replace Bayou Sorrel and it said because traffic is going away there, oil and gas production is dropping, and what they looked at was data in the 2009 era, we had a recession and so they looked at the prior numbers and the 2009 numbers and everything took a dip. Well, by the time they gave us that report, things had already shot back up and we'd had something called the shale revolution. While I think it's important, and I heard you say that you're going to be looking at oil and gas prospects, and that's important, I think that even if we have an energy transition in this nation where we start using other things for fuel, we will still be using petrochemicals to make everything surrounding us in this room. If you look at the billions of dollars of petrochemical infrastructure that's been built since that time along the Gulf Coast, that infrastructure is not going anywhere, and we will continue to be moving high-value petrochemical products through Bayou Sorrel and delivering them to the rest of the nation for many years to come. Don't overlook the chemical aspect of it when you're looking at the oil and gas and fuel aspect of it.

CHAIRMAN MURPHY: This is Spencer Murphy. One more comment. I'm all in favor of eliminating the use of the term "alternate route" because really for any north or southbound traffic, this is the primary route. Going to New Orleans and up and around adds time and cost. For any tows that are leaving any refinery complex in the Gulf Coast going to the Mid America, this is the route that they take. It's not a backup. It's a primary.

COLONEL JONES: Thank you very much for that, Chairman. We know the criticality of that route as well talking with our industry partners and how they utilize that regularly and routinely.

Then moving on to our next lock replacement study, which is much further along and we're excited on all the progress that we have made is, of course, the Inner Harbor Navigation Canal Lock replacement. For everyone's context, once again, the IHNC Lock is the critical choke point on the Gulf Intracoastal Waterway east of the Mississippi River. I think all of us can remember the recent lock outage we had at that location, how that started on Easter Sunday, how we were able to move through quickly and get that repaired. But at the same time, it was a very pointed vignette in the criticality of that system seeing the number of tows that were backed up from the location all the way to Florida. As such, the New Orleans District team working alongside the Inland Waterways Users Board and GICA are moving out to prepare and present a very legally resilient document and report that addresses all the elements of the injunction. But at the same time, is able to express all the critical construction updates and improvements that we've done. Probably most importantly, our responses to the large amount of community engagement we have done on how we've been developing what we're calling our community opportunity plan of action or the community impact mitigation plan. With that, at the same time, working with Inland Waterways Users Board, we were able to get alignment on how we can even produce a more resilient document based off of the last cost estimate for the IHNC Lock, which was conducted in 2019. In accordance with our corporate practices, we're due an economic and cost update. We are able to do that under the fact that this is an already authorized project. Under the construction general fund, we are updating our economic analysis and cost update and putting that into our draft report and we are actually going back out for an additional public review so we can share with the public in a clear and transparent manner, number one, the construction updates that we have done that is going to improve the lock and also reduce the impacts on the community. Be able to show with the latest available data that this is an economically justified and valuable project for the nation to invest in. Most importantly, how we have engaged and listened to the community and how we're going to support them through that community opportunity plan of action and also the traffic and mitigation plan that we have throughout. With that, we are on poise to be able to go through and go out and conduct that public review of that updated resilient document in February of 2025, goal within the New Orleans Districts to ensure that report is finalized by May of 2025 and that leads us the ability to get to a Director's report and record of decision in August of 2025 so we can move forward and replace this 101-year-old piece of infrastructure. It was built, as you all know, in 1923. It was designed and constructed by then retired Major General Retired George Washington Goethals, constructor of the Panama Canal. It is time for us to replace this system so that we can keep it open and reliable as that critical choke point on the Gulf Intercostal Waterway. We can go to the next slide. Just to give you an update on these critical elements I talked earlier. Number one, the updated design and construction sequence that minimizes impacts. Once again, a great new story with the partnership with industry. Bringing in GICA and pilots, we were able to do a ship sim [simulation] where they determined we could actually utilize the existing lock instead of constructing an additional bypass channel. What does that buy for us? That enables us to go through and conduct deconstruction during the day, allow for traffic to continue at night, but also instead of constructing flood walls on the eastern side, we can now move up and construct additional levee systems which will provide additional green space for the communities in that area; so, another positive benefit. In addition to that, we were able to find a more efficient and

simpler bridge design for the St. Claude Bridge replacement. Why is that important? That's going to enable us to drive down costs while also keeping the current St. Claude Bridge open until that was ready to be replaced and removed. Moving forward, it's going to enable us to overall minimize the footprint and impacts on us. We've seen a reduction in our impacts on the historic properties which facilitates our amended memorandum of agreement with the State Historic Preservation Office. Overall, we are excited to continue to share these updates with the community. At the same time, you can see in the lower left the transportation mitigation plan, working with the PCX for Inland Waterways, the Planning Center of Excellence, along with public collaboration and a private urban systems traffic analysis team, we were able to determine overall there's going to see a reduction in lockages across the system, which is going to have an improved traffic system. The only area that we do see in the vicinity of Claiborne is only seasonable during high water, being able to communicate that back out to the public. That leads us to some of the areas that we've gotten a lot of good feedback working alongside with the IWUB, GICA, and other industry partners is our engagement with the communities. Not only have we leveraged our Public Collaboration Center of Excellence, we've also brought in contractors such as CDM Smith and the local Bright Moments for us to engage with the communities, both through initial feedback sessions, and then public open houses where they could get information on critical elements that were important to them, that being either the construction sequence, the impacts on traffic, where they could provide input on the community opportunity plan of action, and through that we received over 200 comments. That is currently being pulled into our report, being refined and utilizing that information, we're going to come back to the public and show based off of what you said, here is the community opportunity plan of action that is going to be integral to the replacement of the IHNC Lock. As a part of our implementation strategy, one of the first elements that we're going to execute as a part of this replacement study is going to be that community opportunity plan of action. Why is that important? Because we need to be a part of those communities and that is a first outward sign of commitment on how we are improving and mitigating impacts as we replace this critical piece of infrastructure. At the same time, we continue to engage at all levels of government. On this replacement study, you can see to the right, we recently hosted a staff delegation from the Senate Appropriations Committee out onsite to show them the criticality of this system, our progress we are making, and then just very recently on the 2nd of July, we had the pleasure of hosting the Regional Administrator for region 6, Dr. Nance, from EPA, who has also been approached by individuals both for and against the lock so she could get a greater appreciation. One of the best feedbacks that she had from us is we are taking a very thoughtful and deliberate approach on how we are incorporating infrastructure into communities and she's excited to work alongside us to ensure that we are addressing it appropriately. All of that being said, we are very excited, me personally, as the District Engineer, is excited to get that report up, finalized by May of 2025, but ultimately getting it signed off so we can move forward and replace this infrastructure. I'll pause there for any questions.

CHAIRMAN MURPHY: Colonel, Spencer Murphy. I just want to say thank you and just for everybody else's awareness, let everybody know that I really appreciate that you, as your predecessor, Colonel Murphy, did, have taken this very personally. There is a great team doing the community outreach, obviously. But just so you all know, the Colonel has made a lot of

personal visits and taken a lot of personal meetings. Not all of which are raising good faith objections, I would say. I just want to say thank you for that because it makes a huge difference and it gives this effort a lot more credibility within the community, not to say that everybody's going to ever love this project. But they know that this is a serious effort and that their concerns are being addressed and implemented into the plan, which is really all I think anybody can fairly ask for to drag this across the finish line. I know we're getting close to it. I think my observation is that it's going extremely well. I don't want screw it up by having us get in the middle of it. But please let me know if there's anything we can do as a Board to help drive some action.

COLONEL JONES: Chairman, thank you very much for that feedback. At the same time the skin in the game that the industry has brought such as the support that we receive from the Pelican state team and Christian Rhodes has been instrumental. As you talked about, it is engagement at all levels. Even though we are past the public outreach meetings and we're moving into the public updates, in the interim, we are going to go back to do those small group engagements where we're going to be bringing key stakeholders and leaders back to the lock so they can see the current living museum that is there and coming to them as well, to continue to fight, let me just put it, misinformation. A great example of that that we're currently dealing with is individuals think that for the St. Claude replacement, that we're going to go in, destroy the existing bridge, and place in a single-lane temporary bridge, which is not the case. We are going to keep St. Claude in place while we conduct the replacement. Until that bridge is ready and available, we are going to then remove the St. Claude Bridge that's currently there in a routine fashion. Just to continue to push that out. But we are making gains, even with those in opposition. I mean, I have elements from the Holy Cross Neighborhood Association who are vehemently opposed to this project who text me and ask me for clarification so they can communicate with their teams so we can give them the most latest and updated information on both public outreach and also opportunities to review our draft reports. Thanks for that.

GENERAL GRAHAM: Okay Cullen. Go back to the timeline. When do you change command?

COLONEL JONES: Sir, my change in command is in July of 2024. That is why my personal goal, very selfishly, is to ensure this report is moving up through policy and legal review above and beyond us. That it has irreversible momentum to get to a decision in August of '25.

GENERAL GRAHAM: Say again when you change command. Not last month; right?

COLONEL JONES: Sorry, say again, sir.

GENERAL GRAHAM: When do you change command?

COLONEL JONES: July of '25, sir.

GENERAL GRAHAM: '25. C

COLONEL JONES: Unless you can't stand me, sir, I'm happy to stay.

GENERAL GRAHAM: That's okay. We're going to add this into the done bin.

COLONEL JONES: Yes, sir.

GENERAL GRAHAM: Before you leave. The Board that has a pretty good understanding of the importance of this, when we look at the Capital Investment Strategy, now you're going to have some harder things to wrestle with.

CHAIRMAN MURPHY: Good problem to have.

GENERAL GRAHAM: Well said. Cullen, well done. Thanks.

COLONEL JONES: Thank you, sir.

MR. CLOUSE: Thank you, sir. At this time, we're going to take a quick break. We're going to start back promptly at 11:45 and get this meeting back on track here. Please take a break and we'll see you here in 15 minutes.

(Whereupon, a short break was taken.)

MR. CLOUSE: Next up on the schedule is Mr. Jonathan Gillip from the Little Rock District. He will be presenting on the McClellan-Kerr Arkansas River Navigation System Three Rivers projects. Mr. Gillip.

MR. GILLIP: Good morning. As Paul mentioned, my name is Jonathan Gillip. I'm the project manager on the Three Rivers project. I'd like to thank General Graham, Ms. Brown, Chairman Murphy, Members of the Board, and the Federal Observers for the opportunity to provide update on the project. We have a little bit of a new format with the slides for highlighting the changes. Next slide, please. For our overall project status, there have been no accidents, our safety is excellent. Our project schedule, we have a phase two award scheduled in December of '24. That will put the whole project's completion at January of '28. Our contractor on phase one is currently ahead of their projected schedule. As part of the post-authorization change report (PACR) in FY24, we did receive an updated certified cost. The updated certified cost is \$333,761,000. That's down approximately \$20 million from the last certified cost and the reason for this is with the progress in phase one, we're able to adjust the contingency on that. We also had more realistic numbers for management of the construction in phase two. We made those adjustments. The post-authorization change report is currently scheduled for completion in September of '24. With the contract award in December of '24, we plan to give a notice to proceed in January of '25, and as I mentioned, that would put project completion in January of '28. Here's the overall schedule where we're at. Phase one is under construction. Phase two is in solicitation right now. We anticipate we will receive bids the 23rd of August and that will allow a December of '24 contract award. Some updates on funding. In FY24, we have received \$186.12 million. That includes the \$82.95 million in BIL funds moved from the MKARNS 12-foot channel project, as well as an FY24 earmark of \$103.17 million that was provided as repurposed BIL funds. I've updated the certified costs at \$333.76 [million]. The 902 limit, I didn't have the update at the time of preparing this, but it's now \$282.12 [million] on the 902 limit. We still exceed the 902 limit. We've adjusted the PED, EDC [Engineering, Design, and Construction], and S&A [Supervision and Administrative] costs based on our better estimates. This project now is fully funded. In fact, excess funding we believe, and so there's no additional funding needed. The updated certified costs as explained was received in April of '24 and we're planning the

PACR completion September '24. BCR [Benefit Cost Ratio] is overall 2.3. For the remaining cost, 4.7. We had a protest on the contract as previously briefed. With the progression of the phase one construction, it appears that the impacts of that protest will be minimal. We've had good work conditions so they've been able to, as I mentioned, they're ahead of schedule so those impacts will be minimal. We were worried about how it would affect the progression with construction seasons and all. On phase two, we did have a little bit of a surprise towards the end of the real estate acquisition. Some of the land or some of the projects constructed on U.S. Fish & Wildlife Service land, which previously built our structures on Fish & Wildlife using permits at the refuge level, they indicated that for this effort, we needed a right-of-way that required appraisal of a fair market value payment, which is minimal as far as cost goes. But the appraisal process, it goes to the Appraisal & Evaluation Office at DOI [Department of Interior], which is a timely process. We've worked with Fish & Wildlife Service, and we have a path forward. We're expediting that process. If we haven't reached that requirement by the time of contract award, they will give us a construction permit that satisfies real estate requirements. As previously briefed, we did receive some feedback from potential offerors on phase two regarding the project labor agreement. Arkansas being a right-to-work state and not having well-developed unions for the trades we needed, there was some concern. But it does appear that there's sufficient interest and we'll be able to award that phase two. One of the other issues and challenges similar to all projects on the river, we have to deal with the water levels. The project was flooded earlier this year. The contractor worked to minimize the impact of the flooding. They work to stockpile materials and work on high ground where possible. They've now got it dried back out and it was not a significant schedule impact. As far as the look ahead goes, the contractor is currently in process of completing a grout cutoff wall that will be essentially under the center line of the weir on phase one. After that's completed, they'll install a soil cement core to the weir and then armor it with rocks. They're scheduled to complete that soil cement core on the 30th of October. The contract required completion is not until September of '26. We anticipate the contractor will beat that. As previously mentioned, phase two will award in December and scheduled completion in January of '28. That concludes updates. I'd be glad to answer any questions.

MR. HETTEL: Jonathan, Marty here. Not so much on the Three Rivers project, but I believe at our last Users Board meeting, you expected to get a new certified cost estimate on the 12-foot deepening of the MKARNS. Have we received that?

MR. GILLIP: Yes, sir. We received that in April of '24 as well.

MR. HETTEL: What is that number?

MR. GILLIP: The total project cost is \$1.022 billion.

MR. HETTEL: Have you gotten a BCR on that yet?

MR. GILLIP: We're working on updating the economics and the BCR as part of the post-authorization change report and that number is not available yet.

MR. HETTEL: Okay. I think I suggested last meeting that you go through the Institute for Water Resources to look at the origin and destinations of tonnage going into and out of the MKARNS.

Just as an example, our shop, we move about 4-million tons in and out of the MKARNS and 40 percent of that tonnage goes to and from a 9-foot river. It's not like you're going to benefit all barges going into and out of the Arkansas River at a 12-foot channel.

MR. GILLIP: Understood, sir. We have looked at the destinations and origins of shipments for the economics update, we're considering that.

MR. HETTEL: Great. Thank you.

MR. WEBB: Nor is the Mississippi River a 12-foot channel.

MR. HETTEL: Well, that's the other thing. We're not guaranteed a 12-foot channel Rosedale south either.

GENERAL GRAHAM: Thanks, Jeff. Poke the bear.

MR. WEBB: Marty missed it.

MR. HETTEL: I wasn't going to go there, General. Thanks, Jeff.

CHAIRMAN MURPHY: Spencer Murphy. Going back to the Three Rivers projects. There's excess cash available is what I heard.

MR. GILLIP: Yes, we believe there's excess there. It was moved off of the 12-foot channel project and I believe the plan is to leave it on the project until phase two is awarded to make sure that we can cover that award. A decision will be made on that.

CHAIRMAN MURPHY: Okay. Because I don't remember the exact verbiage, but we had a motion at the last meeting to transfer excess funds that are needed for this project to a higher use like Kentucky Lock.

GENERAL GRAHAM: Right now, we don't believe they're needed. We believe that instead of upsetting some folks that might get upset with moving money from one base into another, that if we don't absolutely have to, then we don't then need to upset some folks that potentially might get upset. The Board's motion, we absolutely understand it. We aren't to that point of need.

CHAIRMAN MURPHY: Okay. I don't want to get too theoretical. But let's assume you don't need it in Kentucky is what I think what I hear you're saying, and we get to phase two and we still have \$20 to \$30 million that they don't need –

GENERAL GRAHAM: We'll let you know.

CHAIRMAN MURPHY: -- then what?

GENERAL GRAHAM: That's right. What's next in the priority for investment.

CHAIRMAN MURPHY: Okay. Well, I don't know that we necessarily need another motion to that point, but I just want to make sure we put our marker down that says we would want to have a conversation about that.

GENERAL GRAHAM: Acknowledge and agree with you, Chairman Murphy.

CHAIRMAN MURPHY: Thank you.

MR. CLOUSE: Thank you, Jonathan. Next up, we have Mr. Ramon Navarro, give us a quick update on the Brazos River Flood Gates.

MR. NAVARRO: Good afternoon, Major General Graham, Ms. Brown, Board Members, and Federal Observers. My name is Ramon Navarro and I am a project manager from Galveston District, and today I will be briefing over the status of the Brazos River Flood Gates (BRFG) and Colorado River Locks project. Our current project status is at the final BRFG design for the entire facility. Both westside and eastside was received in October of 2023. The BRFG westside only contract procurement will require design repackaging. As of right now, we're awaiting new start construction funds to repackage the design and award BRFG westside. Now, slides 2, 3, and 6 of my presentation have been updated to reflect assumed receipt of funding. If we receive funding at the start of FY25, we will award BRFG west by the end of FY25 or sooner. Again, due to limited funding, our project implementation strategy currently is to award BRFG westside by FY25, BRFG eastside by FY29, and then Colorado River Locks by FY34. Now, the good news is that the cost certification package was able to be submitted to Walla Walla District on the 17th of July. As of now, our cost engineering team is working on addressing comments received by Walla Walla and we are anticipating receiving certification by the end of August. For our schedule and cost estimate for the westside only, again, assuming that we receive funds at the start of FY25, we're anticipating three months to move forward with the A&E task order solicitation for the repackaging of the design. Actually, doing the labor for the design repackaging, along with reviews, that would take us about three months as well, soliciting the construction contract and awarding hopefully by the end of FY25, if not sooner. We have roughly about a 30-month construction duration for the westside. Now, unfortunately, we did not receive any allocations for FY2024 and currently we're operating on roughly less than \$100,000. But we have been able to keep the lights on. We were able to get the cost certification through and we're continuing to progress to hopefully hold out until we get additional funds. For our efficient scenario for westside only, we would need roughly about \$81.42 million in FY2025. This includes the design repackaging costs, construction costs, engineering during construction, and S&A costs. For our inefficient scenario, we would need \$88 million in FY2026. Now, as part of our cost certification, we had to go back and reassemble the PDT to update our CSRA [Cost and Schedule Risk Analysis] model for the projects. Based off of the risks that were shared by the team, a 10 percent escalation factor was developed for going from FY2025 to FY2026. Once we do get our cost certification approved, our cost engineering team will be providing a memorandum of record, explaining as to what those increases were. As of right now, our main challenge is limited funds. Our mitigation strategy is repackaging the BRFG design into two contract packages, westside and eastside, for separate solicitations. For our look ahead right now, hopefully end of August 2024, cost certification should be completed. The rest of these dates as shown are contingent on new start construction funds. Any questions?

MR. WOODRUFF: This is Matt Woodruff. Just a couple things I want to make clear for the record. By doing the westside only, you will achieve about half the benefits of the overall project; is that correct?

MR. NAVARRO: Yes, sir.

MR. WOODRUFF: This is not a situation where we're splitting something up and not getting any benefit from it?

MR. NAVARRO: That's correct.

MR. HETTEL: Ramon, Marty Hettel here. When we get Brazos completed, will you do a BCR on the Colorado project before starting any construction?

MR. NAVARRO: Yes, sir, it's anticipated we would have to do that.

MR. HETTEL: A separate BCR on just Colorado?

MR. NAVARRO: Yes, sir.

MR. HETTEL: Okay. Thank you.

MR. NAVARRO: Thank you.

MR. CLOUSE: Thank you, Mr. Navarro. Up next, we have Ms. Elizabeth Burks, and she'll be doing two, Chickamauga Lock and Dam and the Kentucky Lock Addition.

MS. BURKS: Good afternoon. Major General Graham, Ms. Brown, Mr. Chairman, Other Distinguished Board Members, Federal Observers, and Guests, my name is Elizabeth Burks, and I'm the Chief of the Integrative Project Office in Nashville District. I'll be briefing Chickamauga Lock replacement and Kentucky Lock Addition, beginning with Chickamauga Lock. This is our Chickamauga Lock replacement dashboard. You'll see across the top we have our project safety, project status summary, and financial status summary. We have a strong safety culture at Chickamauga and so you'll see that reflected in the green rating there. Our project status, the upstream approach walls are on target, currently in construction, with a construction completion date of December 2024. Our lock chamber is also on target with a construction completion on target for January 2026. Our next major construction contract award is in active solicitation, due September 2024. Our financial status there is reflected in red. That's really reflecting the impacts from ongoing lock chamber claim. Move to the middle of the screen where we have our executive summary. All the information you see in blue is new information from our last reporting. For the lock chamber contract, we have concrete placement. We've completed 230,000 cubic yards of placement out of 250,000-cubic yards. We're well on our way. We've topped out 10 of 35 monoliths. The certified claim I'm happy to report is very close to settlement. The gate installation will begin in fall of 2024. Our critical path activities remaining are the transition to the electrical work connected to the operations building. Our second construction contract ongoing on this project is the upstream approach wall contract. Again, that's on target for December of 2024 completion. Construction status, we have completed all 14 shafts. They've been drilled with concrete placed to the top. We are in the process of completing two of the four of the intermediate piers. This project has government furnished equipment in terms of the approach wall beams. They are being moved from an upstream location to the site for installation in early 2025. Again, our approach wall and decommissioning contract is in the solicitation process and that's our final contract. Our current operational date given this final award would be

November 2027. This slide reflects our schedule and funding. I draw your attention to the red line. This reflects ongoing construction for two contracts with a third pending contract award. All contracts there are reflected in green indicating that we have full funding. This is our funding summary. I want to highlight the blue numbers there for FY24. We received an earmark of \$236.8 million and greatly appreciate the Inland Waterways Users Board's support for Chickamauga Lock. Also want to draw your attention to the commentary. Our last total project cost summary was completed in March of 2023. Our next total project cost summary is due in March of 2025. Chickamauga Lock issues and challenges. We have two reflected there. The first has been an ongoing challenge, the lock chamber certified claim. Again, pending settlement; We're all looking forward to that moving forward. Our next challenge is also something that we've shared with the Inland Waterways Users Board in the past. Again, we have two active construction contracts on the site and we're looking to award a third. The three construction contractors on one site can become a little congested, so that is a challenge. But in terms of mitigation, the team will work with all three contractors for phased access. That'll reduce congestion and allow different lay-down areas for each contractor. Our look ahead. Progress for the lock chamber. Again, we've completed 10 of 35 monoliths up to the final elevation and then we have seven more that only require one more placement. Our miter gates will be delivered onsite in September for installation. Our electrical and mechanical submittals are under review for the operations building. The upstream approach walls are also in construction. Again, all 14 shafts we have concrete placed there to the final elevation. Two of four intermediate piers are under construction. The nose piers are being fabricated. Again, that final construction contract is in solicitation. That's for the approach walls and decommissioning. I'd like to share some progress photos with you, first of the lock chamber. There you'll see the culvert valve on the right in the bottom side of the screen, being delivered to the site. Concrete placement for our M1 monolith. This is the second contract progress photos for upstream approach walls. Picture number 1, you see concrete being barged over to the site. Pictures 2 through 5 show the concrete being pumped in place. Picture 6 is where our workers are vibrating the concrete. Finally, just a wrap-up, I wanted to share with you a historical photo of the original Chickamauga Lock construction from 1938, contrasted with our current aerial of June 2024. With that, I'll pause and see if there any questions for Chickamauga Lock.

Moving on. Kentucky Lock Addition. Here's our dashboard. Again, we'd like to share the safety, the project status, and the financial status. Happy to report, Kentucky Lock also has a very strong safety culture. Tuesday, we celebrated a million-man hours with no lost time accidents. A huge accomplishment for Thalle Construction and the team there, USACE team, boots on the ground. In terms of project status, we're still on track for construction completion for the current contract for the downstream lock monolith for May 2027. We're on track for the lock operational date of July 2029 and we'll talk more about that in a minute. Our financial status is also green, reflecting a cost performance index of .99. For the executive summary, our past total project cost summary was certified in 2022. We're due for another update in 2024. That will be completed in the fourth quarter of this year. The team is working on the final contract package for Kentucky Lock and we're requesting use of the integrated design and construction (IDAC) acquisition strategy to reduce risk. That contract award, pending funding and approval of the acquisition strategy is planned for FY25 award. Our schedule and funding slide also reflects contracts completed to

date. The green reflects full funding. The yellow reflects pending funding. The yellow bar reflects the status of where we are today. You see that we still have one active contract onsite and one pending. The active contract is approximately 40 percent complete. Our funding summary. Allocations to date, \$1.229 billion with a remaining balance of \$332 million. Like to draw your attention to the bottom portion of this screen where we provide our funding scenario for efficient and inefficient funding. Again, our remaining balance is \$332 million so that efficient funding stream would be a request in 2025 for \$332 million. The inefficient funding stream would break that up between 2025 and 2026. \$218 million is the request to fully fund that final contract. The remaining \$114 million would be for contingency.

CHAIRMAN MURPHY: Spencer Murphy. A quick question. In the inefficient scenario, if you only received \$218 million in FY25, what does that do to the schedule?

MS. BURKS: Yes, sir. If we receive \$218 million in 2025, it would not affect our schedule. We would still be able to solicit an award and, therefore, it would not affect the bottom line in terms of operational date.

CHAIRMAN MURPHY: Okay.

MS. BURKS: But I would like to interject that if we did not receive the \$114 million in 2026, then there could be impacts.

CHAIRMAN MURPHY: Okay. Thank you.

MS. BURKS: Issues and challenges, and somewhat to reflect the conversation with Mr. Murphy, we will be ready to solicit in September 2024, the end of this FY. We have approximately half of the funds on hand to solicit, but it's our typical practice that we have full funds on hand in order to solicit. It's our understanding that we'll need a funds assurance memo to move forward with solicitation if we don't have the full funding in place. In terms of mitigation strategies, we continue to share that information with the vertical team in order to move forward. Our other challenge also speaks to the funding needs in 2025. In order to make our operational date, we will need at least a minimum of \$218 million to move forward with solicitation. There are mitigation strategies using the integrated design and construction acquisition strategy where we have construction options. We have funding in hand to award the first option. We would need the additional funding to award the second option. But, again, it's our typical practice to have full funding in place in order to solicit an award. This is our Kentucky Lock look ahead progress for the downstream lock monoliths contract. Again, we're on target for a construction completion in May of '27. Our concrete production is roughly 25 percent with our miter gate fabrication approximately 70 percent complete. Here's some of our progress photos. Photo 1 shows our mud mat. That's really the foundation for our monoliths. Photos 2 and 3 are progression photos downstream and upstream progression. Photos 4, 5, and 6 are concrete placement. Finally, updated aerials for Kentucky Lock from June of 2024. With that, I'll pause to see if there are any questions for Kentucky Lock.

MR. JUDD: Ms. Burks, Damon Judd. First of all, just thanks to the team for all the work on the safety front. I know the Corps had to take a proactive push at one point in this project. Seeing

you hit a million hours without an incident is awesome to see. You mentioned the need for the funds probable memo. I guess can you or someone else shed a little light for us on what's the process to get that and the implications if you're not able to get that by the September bid that's outlined in your timeline?

MS. BURKS: Sure. To move forward with integrated design and construction, we need three things. We need funds, we need a business case approval, and then we need our acquisition strategy approved. The business case and acquisition strategy are also dependent on funding. I recognize where we are in the political cycle, understanding that we may not have full funding by April timeline when we would like to award. There is our ability to put forward a request for funds assurance. This would be signed by the USACE comptroller, indicating that there's high probability in the system that we would receive funds in '25. We're working with our Division counterparts and our Headquarter counterparts to understand the availability or interest of the USACE comptroller to sign that funds assurance memo.

GENERAL GRAHAM: We happen to have our USACE Comptroller with us.

MR. JUDD: Okay. I guess is the takeaway from our perspective be that because, for the record, obviously there's been some earmarks submitted on this project that would provide you that certainty to the extent they actually make their way all the way through. Are we good to go here as it relates to the funding requirement you need to solicit the final contract? Or is this still a murky area where there's risks that we don't get the paperwork we need for you to send out the bid package?

GENERAL GRAHAM: Mr. Brown.

MR. BROWN: I guess the bottom line is I haven't seen the paperwork, so we've got to go through that piece. With integrated design and construction, that is something that has been a concern. We just need to look at all the particulars. We can't really commit right now in terms of whether or not we need to look and see what's in the Senate bill that has just popped out. I haven't seen any details. we need to look at all that stuff. I can't give you a firm answer in terms of whether or not an IDAC is a done deal or not at this time.

GENERAL GRAHAM: We'll know soon.

MR. JUDD: Ms. Burks, I guess, to the extent you're not able to pursue it on an integrated design basis, could you remind us on what the estimated project impact would be from a timeline standpoint?

MS. BURKS: Yes, sir, we would have to repackage. Right now, we're in a 60-percent design status. The integrated design and construction allows us to move forward without a hundred percent completed design. That's the beauty of that acquisition strategy is to invite your construction contractor into the conversation with your engineering design team. We would have to complete that process, retool our acquisition strategy and award. In that sense, we would lose six to nine months.

MR. JUDD: You mentioned the ongoing cost update for December 2024. I guess with what you had responded to Mr. Murphy on the \$218 [million] being the final construction contract and \$114 [million] being effectively contingency. From a Corps resource standpoint, is there any way to streamline and eliminate that update because the contract's going to be what the contract's going to be at this point? Or is that just the rules of the road and there's no ability to change that process? It just feels like we're using your collective Corps resources on something that probably won't add value to the project.

MS. BURKS: Yes, sir, from a policy perspective, every two years, we have to update that total project cost summary. We'll continue to comply with policy. Of course, I'm sure there's a waiver process that we could request a waiver.

GENERAL GRAHAM: What you're saying makes sense, that we are where we are. We'll take a look at that, if it makes sense to do that.

MR. JUDD: Thank you. I guess last, just in terms of some of Mr. Murphy's opening comments, I feel it's important to provide specific examples, just back to the importance of numbers and alignment. I think this is a project where information was bouncing between, I think, a \$90 million number, the \$218 [million], and the \$332 [million]. In terms of the importance of arming us with the right numbers so that we can get the right numbers, I'm just highlighting that this is one of those examples that cause some frustration on our end in terms of what we were trying to do with supporters on the Hill to make sure we were set up for success. Thank you, Ms. Burks.

MS. BURKS: Thank you, sir.

MR. CLOUSE: Thank you, Ms. Burks. Next up is Mr. Jose Lopez, going to give us a rundown of the Mississippi River, Lock and Dam 25, the same one we visited yesterday. All yours, Jose.

MR. LOPEZ: Good afternoon. Major General Graham, Ms. Brown, Chairman Murphy, Members of the Board, my name is Jose Lopez, and I'm the project manager for Lock and Dam 25 under the NESP authority from the St. Louis District. First, I just want to give a shout out to the St. Louis team for yesterday's awesome site visit through a little bit Midwestern pop-up showers and some pretty nice heat. I'm going to dive in here because I know we're short on time. Lots of updates from last time. On project safety, we've been good since we've awarded the first two contracts. The current contract we've got ongoing is that phase 2A, which is the bulkhead supply contract. I know we didn't get to see any of that because that work is occurring offsite, but it is ongoing. Fabrication hasn't actually started yet. We're still going through the prefabrication phase, but it's moving along. From a schedule summary standpoint, we are slightly ahead of schedule. The primary reason for that is because that number, that schedule performance index is based on the total project and our phase one contract actually finished three months ahead of schedule. We're showing a little bit of efficiency there. As we move our design into the 65 percent phase, I suspect that 1.27 will start to get closer to unity. We'll be on schedule and that's how we are in the design phase. The other thing to highlight, the blue there on the middle traffic light is the phase 2C con-ops [construction operations] facilities. We talked about that onsite as part of our ability to operate the two locks and to make sure that during construction, our operations folks can continue to operate the 600-foot lock. We need to do some

reconfiguration so we're close to awarding a contract. At the end of this fiscal year, it's actually out for solicitation right now, and it's a design-build contract for those facilities. The next major contract awards, and as we talked about over there, is a guide cell and then obviously the new lock. Over to the right, we've got the financials. We are tracking a little bit under budget. That's primarily due to our design, working a little bit more cost effectively than we originally planned. We have re-benchmarked the project and so I also suspect that number will get closer to unity because we've shifted our baseline a little bit based on how our design is progressing. I mentioned the re-benchmarking. Talking about new delivery method, we are transitioning or have already transitioned to design, bid, build part of the process then is to get our acquisition plan reapproved since we already had an original one, but we're shifting. That's something that we're aiming to get approved probably in the spring of 2025. We are in the process of getting that updated. Key thing there is that since we've cancelled the previous procurement, we have gone back out to contractors and gauged interest. The good news there is the interest is still very, very high on the project. We've received a lot of good feedback. Biggest takeaways, as we discussed at the site the I-wall construction is critical, just from a construction standpoint, and it's very critical from a navigation stakeholder standpoint. I think contractors recognize that they're going to have some potential inefficient conditions to put it in a way, based on the fact that we want to make sure that the stakeholders are still able to utilize the 600-foot chamber as best we can. The other big takeaway is design, bid, build with base and options is the next best thing to what we previously tried to do. We floated some other innovative thoughts and ideas. Obviously, we talked about multiple contracts. Nobody likes that. It's not in my DNA to propose something like that as one of the leaders of the team because it's just not the best way to carry out a project. We all understand that that is something that can happen and has happened in other situations. We also talked about single award task order contracts with industry. That was not viewed very favorably because while it provides a lot of flexibility to the government from a funding stream standpoint, it adds a lot of uncertainty to the bidders and, thus, it can lead to a lot of premiums on pricing and also some lack of interest actually. What came out of that is unequivocally, if you can't do the previous method that we cancelled, you got to go base and options. That's really the biggest takeaway. As far as status, we are at 65 percent on the major lock features, which is the river wall, I-wall, and the guard walls. Our team is always looking to accelerate things. When we first started this project, we were only doing one contract. Since then, we've already done two and are probably going to do three. Myself, Paige, and Brian were sitting back here brainstorming all the things that we can do and that's part of the motivation of this team, is we understand Chairman Murphy, to your opening remarks, we get it. We're in this to make sure that we deliver by 2034, which is what we said back in November when we benchmarked this project originally. I want to highlight real quick, our real estate is ongoing. We've done title on everything. We're doing boundary surveys to start that process in earnest. Also, we've got our supplemental NEPA [National Environmental Policy Act] document going through the internal process before it goes out for public review. Schedule and funding slide. Again, a big change here is we've tried to break out all these potential base and options. I want to say recognize that from here down is all subject to change. We can still flex based on potential funding streams, based on what our acquisition strategy is going to look like, on how the base and options get carved up. But just to show and demonstrate one of the scenarios we've got, this is where we're

at. As far as the nomenclature the red means work that is not really funded at this point. I've talked about this before, but with the BIL funds, we can probably get the scour repair done and about half of the river wall done. That's \$732 [million] minus the sunk cost, minus the labor that it will take to design that, which is ongoing.

MR. WEBB: This is Jeff Webb. The funds, the \$300 million that you're asking in fiscal year '27, that really starts your red on that chart?

MR. LOPEZ: Yes, sir. If we're able to get the additional \$300 million, that basically gets us the entire river wall, probably some HSS [Hydraulic Steel Structure], the hydraulic steel structure fabrication, and the completion of the scour repair. It definitely moves the needle. From another perspective, and just more inside baseball stuff, it gets the base and option into a scenario where you have a substantial amount of the funds for the base, which there's some debate about that, but that's a big deal is just to get a good chunk of the funds on the base part of the contract. The updates here I neglected to highlight them in blue. We shifted these efficient and inefficient tables just based on what Mr. Tarpey had presented previously. We originally had sort of our assumptions from the PDT level just to demonstrate cost and time growth, like I think notionally that's something that everybody understands. It's subject to change. We've already run about a dozen scenarios, we can run a dozen more, even though Paige would probably scream at me. But we can definitely adjust as needed.

MR. WEBB: Jose, just one comment on that one. We've talked about it endlessly, but the difference between an efficient and inefficient, it's \$767 million and five years on this project. It's a big difference. Just want to note that.

MR. LOPEZ: Yes, sir, absolutely.

MR. WEBB: The cost to industry as we deal with this new lock chamber being built really close to the existing chamber those costs are going to be exponential as well.

MR. LOPEZ: To put it a different way, sir, I mean, doing it efficiently while we're slowly trying to build the I-wall, while you all are trying to transit, so first cost, project costs, total project costs go up, your guys' costs go up, deferred benefits, all that stuff. As far as issues and challenges, the only addition here, and we've talked about this before and it's been in and out of the slides, but we are proposing an in-the-wet construction methodology now. One of the things we've talked to contractors about is the appetite for that. There was no real aversion to it. As we talked about before, we were very happy with the interest we got previously and the wet construction was in that solicitation. It's definitely something that we are getting after and adjusting and part of the input that we've received in the last month when we've talked to these contractors is that we've added or changed some things in that methodology or adjusting some things in that methodology to make sure that we manage that risk appropriately. Just a slide here with a look ahead. As mentioned, we've got the bulkhead contract that's been awarded. We've got the phase 2C construction operations facility that's going to be awarded before the end of this fiscal year. Sir.

GENERAL GRAHAM: Ms. Brown's talking all the time, we're running short. We saw all this yesterday.

MR. LOPEZ: Okay.

GENERAL GRAHAM: We talked Lagrange yesterday, but I know we want to talk Lower Mon.

MR. LOPEZ: Absolutely, sir.

GENERAL GRAHAM: Did anybody have any questions on what we saw yesterday? I think the team did a really good job laying this out. But want to leave Board time to talk Lower Mon here.

MR. LOPEZ: Good, sir.

GENERAL GRAHAM: Okay. You want to hang out up there for Lower Mon. No, go ahead and go.

MR. LOPEZ: I don't think Mr. Fritz would appreciate that.

MR. CLOUSE: Thank you, Mr. Lopez. We talked Lagrange earlier today when that came up. The presentations will be online. We're going to go to Mr. Fritz on the Lower Monongahela (Mon).

MR. HETTEL: Hey, Paul, Marty here. Before you roll off of Lagrange, when I look at the funding scenarios, they've got a number in FY26 of \$1.468 billion. That's really unrealistic. When you look at the efficient funding scenarios from the CIS, they've got it split out in years. We need to be on the same page here. Just my comments. Thank you.

GENERAL GRAHAM: You're absolutely right.

MR. CLOUSE: Thank you.

MR. FRITZ: General Graham, Ms. Brown, Mr. Murphy, Board Members, Observers, thanks for letting me brief again. I'm just going to hit the highlights for Lower Mon and then I'm going to ask Colonel Melin to come up and talk a little bit about the status of the Lock and Dam 3 demolition. The new Charleroi Lock chamber is operational, and the land chamber has been closed to navigation now; we're moving right along there. Demolition of Lock and Dam 3 is well under way. We breached the dam on the 10th of July with our first blast. Pool equalization depends on some of the upstream flow until we get that dam out of there completely, but for the most part, the pool has been equalized. It fluctuates a little bit because there's still a lot of that dam in place. The FY2024 appropriation was \$41 million. That was received in BIL funding. We are doing a cost update right now. We're responding to comments from the Cost Center of Expertise. I expect by the next Users Board we'll have another certified cost for Lock and Dam number 2, 3, and 4. As far as schedule is concerned, we're about 99 complete with the river chamber completion contract. The other big one there is for Lock and Dam 3, decommissioning. The last one on there is environmental monitoring that shows it hasn't started yet. That happens with the pool changes and that has to occur for five years after we make those final pool changes. On the funding slide, I already talked about the \$41 million. That's going to get us to button up the project to the 90 percent benefits project. One thing I want to stress is that having the Charleroi Locks operational is not project operational. Project operational is when we get the dam completely removed out there at Lock and Dam number 3. The commander will talk about

this. But at the end of August of this year, 30 days from today, we'll have at least a partially operational project because traffic will be going through that navigable pass. As far as issues and challenges, I'm going to go right to the challenges here. I've told you many times in the past that we completed the dredging for Lock and Dam number 2, 3, and 4 in the 2022 timeframe. The Mon River runs pretty clean. We don't have a lot of siltation there. We've been monitoring that. The siltation level keeps going down, but there are some places we notice on the inside of bends and now at one particular bridge pier where that siltation is starting to pick up a little bit. I believe it's still going to scour itself out, but that's a risk that we have to continue to watch to make sure it doesn't impede on navigation. Right now, in some places, it's 5 to 15 feet within that navigation channel. It's starting to infringe. We're going to keep a close eye on that. We have a mitigation strategy for that. Braddock Dam scour, and I talked about this before, there's some scour that's been noticed upstream and downstream of the Braddock Dam. We're going to monitor that after the pools completely change. December of this year when the pools get to their normal operating conditions, we're going to monitor that for a year to see where that ends up. That the risks are considered low risk for two of the areas. The area upstream of the dam is a little bit of a low to medium risk as opposed to a low risk. But we need to monitor that to see what it's going to do in that final pool change condition when we have that final pool, 723.7 [feet], all the way up to Charleroi. With that, I'm going to ask the Commander to step up.

MR. CLOUSE: Next up is Colonel Melin from the Pittsburgh District. Commander, give us an update for Lock 3.

COLONEL MELIN: Good afternoon. First of all, I just want to say thank you for the opportunity to come and talk to this group about emergent events that have occurred over the last month out at Elizabeth Lock and Dam. Bottom line upfront is we as the District take ownership for having imposed a 7-foot navigational restriction on industry. We communicated ahead of the removal of the first segment of lock and dam that we would achieve a 9-foot navigational depth through the lock. Out of an abundance of caution and due to change in water levels, we adjusted that to 7 feet. The reason for that was to both protect the lock structure and prevent a full closure of Elizabeth Lock and Dam, which would have significant effects, but also to ensure that the 7-foot navigational depth was maintained until we could fully remove the dam. All that being said, every day that the lock is operating at a 7-foot navigational depth is a real cost and we in the District understand that. The reason that I'm here talking to you is because we have devoted every ounce of resources that we have within the District and we've received support from across the enterprise to deliver a navigable channel as soon as possible. The date that we are aiming at right now and that our contractor is committed to is 28 August, which is a 90-day move to the left from the original 4 December date for fully opening the navigational channel. What I'd like to do first is just very briefly talk you through the timeline and then I'll give you an update on where we are and how we're progressing this project and then take your questions. 10 July was the date of the initial dam breach. When we breached the dam initially, we understood that a 9-foot navigational depth that's a level of water over the sill that requires monitoring for industry given that we typically have around 13 feet of water over the sill at Elizabeth Lock and Dam. That was a change in condition which we had messaged and we understood needed to be monitored for delivery. Once we breached it on the 10th of July, we monitored it throughout the

weekend. On the 15th of July, that Monday morning, we assessed that there might be some issue with respect to the navigational depth. At that point, we convened a project delivery team to focus on this exclusively. We brought all the right stakeholders together. On the next day, on the 16th, we ascertained, yes, we needed to move to a 7-foot restriction within the lock chamber in order to ensure that we didn't have a barge become fouled within the chamber or ground within the chamber and then have to embark on a rather complex recovery. At the same time, we looked at really two courses of action to restore full navigational depth as quickly as possible. The first course of action was to look at the auxiliary chamber and whether or not we could remove the sill from the chamber and essentially open the auxiliary chamber to traffic until we removed the dam. That was our first course of action. Our second course of action was to dramatically accelerate the removal of the dam itself, to re-sequence the way in which we were removing the dam and establish a navigational channel in the middle of the Monongahela River as quickly as possible. We fully fleshed out both of these courses of actions and communicated as clearly as we could with industry as we're going along, we didn't want to commit to one direction or the other because we wanted to be able to provide clear feedback on how we were going to address the situation. With respect to the removal of the sill, Elizabeth Lock and Dam is a 117-year-old facility. So as such, the risk of disturbing its as-built condition, removing that sill, we assessed would have a higher risk of full lock closure and we were comfortable with, and we think certainly the industry would be comfortable with. It's just a very, very old facility. Taking pieces off of it had some risks associated with it. When we looked at the contract itself, we ascertained that re-sequencing the contract to open a navigational channel in the center of the dam and incentivizing the contractor to accelerate delivery was going to be our quickest path to delivering a navigation channel that industry could fully use to a 13-foot navigational depth. Once we ascertained that and we worked directly with our contractor, who was already mobilized on the site, that's an important thing to understand, our contractor was there, had equipment onsite already and was working. We were able to work with the existing contract vehicle and modify it. We issued that modification on the 19th of July. Initially, as we communicated to stakeholders early in the week, we had to say, no more than 10 weeks, but we really knew that we needed to get it done far sooner than that. We pressed our contractor and came to the 28 August date, which remains our aim point. If you look to the lower right-hand corner, that's our rough project schedule. We are aiming for no later than the 28th of August and, of course, we're going to be looking at and working on every avenue to accelerate that. Just some key pieces to understand when we talk about the establishment of that navigational channel is there really is a critical path to follow. The first thing that we had to do was to remove those middle three sections, four, six, and eight, as shown on the chart. We had to blow them up, demolish them, and remove them from the channel. Until that was complete, the subsequent steps, rubble removal, removal of sheet piling, which had been driven in years past to stabilize the dam, and removal of the concrete and the wood pilings that were originally placed over a hundred years ago to build the dam. Until we got the blasting done, we couldn't move into those sections of the work. We asked the contractor to take a look, how can you dramatically accelerate the blasting program. What he was able to deliver was all three sections, the 150 feet that we needed to clear to be able to do navigation channel, he's blasted them all. As of last night, the blasting operations are complete. If you were to go out to site today, what you would see is between six to eight excavators out on

floating barges. You would see dredging operations, which we asked the contractor to execute in parallel with the other work instead of in sequence to recover schedule. You'd see all of that happening simultaneously. I got a report from my team just a couple minutes ago, that they are all out onsite and we're seeing a good acceleration of work. The key pieces for me as the Commander as I look at this right now is this is the number one priority for the District. There simply isn't a thing that we're doing that is more critical than this. Every member of my team is putting their full and undivided attention on delivery. As the Corps works with the contractors, submittals go back and forth, in the normal course of construction, sometimes those go quickly, sometimes they take a little bit more time. We have a team that as soon as we receive a piece of paper or even a verbal communication from the contractor, no matter what time of day, they are focused on it and delivering it. We're turning around all of our required approvals for the contractor in a matter of hours versus a matter of days. That's our commitment is that until we have achieved this channel opening, no stone will be left unturned in terms of delivery. We deeply appreciate the patience of our industry partners who are working with us and with whom we've had a very long and very positive relationship. We've had great partnerships over a long time. Certainly, this unanticipated closure has had significant impact, and we recognize we need to build back from that. The first marker on the board for me as the Commander is delivering this channel as quickly as possible. That's my first step. Next slide, please. I wanted to give you this picture. I took this yesterday when I was out onsite supervising construction. It's not quite as exciting as you might have seen, if I had the picture from today, but I didn't want to stress out Paul and ask him to update slides and within a five-minute period. I'll go off this one. You see on the left-hand side, that's our dredging operations, the river salvage, the dredging sub-contractor out there on the Mon is working to achieve that 13-foot navigational depth in parallel. That's a key piece that we're working on. If you move toward sort of the right center of the screen, you see those white pipes coming up out of the ground, that's where the demolition was inserted inside the dam and the apron. We executed the hundred-foot shot last night at about 5:00 o'clock and achieved good effects with it. They're out on the river now clearing that rubble. The steps that are ongoing right now if you were to be out at the site today at this moment is the dredgers continuing to work. We have two full excavators that are out there jackhammering debris apart. We have clam buckets, two of those, also on barges that are pulling out rubble. The full dam length is 670 feet. If you can imagine, that's a lot of barges all within a relatively tight space working together. But our contractor is committed to it, and we're committed to it, too, from a resource time perspective. Just a couple quick notes that I wanted to offer. I know that there's interest in how can we achieve this as quickly as possible. How can we deliver. Could we work seven days a week, could we work longer shifts. I just wanted to provide a couple notes on how we're navigating this. When we engage the contractor, we said we need to deliver this as soon as possible. We gave him the flexibility to lay out the most efficient schedule that he could to be able to deliver it. The plan that they've come to is to work six days a week, 12-hour shifts with double the manpower and double the equipment. Leveraging that seventh day as a scheduled recovery day, where if we see a significant delay in schedule, we see disadvantageous weather conditions, he can slew off of that workday and utilize that recovery day. We've incentivized the contractor to work quickly, but I do want to emphasize also work safely. I just want you to have that image in your mind of six separate barges, three on the upstream side, three on the

downstream side, jackhammering, clamming, dredging, all simultaneously. That's a lot of swinging booms, that's a lot of people out over the water doing specialized work. What we don't want to do is put the contractor in a position where we compromise their safety principles, even as we've asked them to accelerate work. A final piece I'd like to offer is there are some complex components to this construction effort. The removal of the sheet piling and the removal of the wooden piles, which are under the water, will likely require divers to go in to find these components and to literally guide the construction equipment to the location where they'll execute that work. That work can't be executed at night for safety reasons. It changes the condition that you would see as you're executing diving. But as I close this out, I'll end as I began in saying that we are absolutely dedicated to delivery and 28 August is our aim point. But as with any project where we've come together as a team to really solve a problem, we're out there every day working to find a day, to find six hours, to find 12 hours, because we understand that even those changes are significant to our stakeholders. Our commitment is to transparency. I've already had a great discussion with our Campbell Transportation rep about ways we can be even more transparent and communicate flatly and more to follow. We will continue to prosecute this until we have that navigation channel open, and we have traffic moving. I'll pause there for any questions.

MR. KREIDER: Thank you, Colonel and General Graham and Steve and Bill for all the focus on you put on this. We do appreciate the attention to it. Obviously, I can't express enough the frustrations we have particularly initially. I'm glad to hear you've established transparency and I very much appreciate the commitment to regular updates here forward so that we can all follow through with what's being done here and feel confident that we're going to get to that 28 [August] deadline, or if at all possible, sooner. Like I said, I stand here representing, for the record, frustrations from the entire group. When you opened up this meeting, General, you had spoke about accountability and reliability, I'm sure we'll get to those, especially the accountability point at some point. I'm not here to focus so much on that so much as how do we get back to reliability. I think I would add to that credibility. I think that's what's in jeopardy with a lot of the folks that are looking, do we have another surprise with this project, how do we feel confident. When we have planned versus unplanned outages, they're very, very different, whether that's a mechanical failure of a vessel or whether it's a lock failure because we can't plan around what happened and how quickly. I did hear one thing that bothers me a little bit, for the record, if there was the first indication on the 15th that there might be a problem, I don't believe most the industry became aware for 24 to 48 hours how drastic that problem could possibly be. We stranded vessels. I have four vessels I had to tie up that are above that lock because the drafts of the vessels can't get through a 7-foot sill. Things like that really do matter and the commitment you've made here today and the reaction I've seen over the last couple weeks after the initial problem developed, I do commend everybody for their efforts to get us where we need to be. Obviously, it can't be soon enough. I just want to leave on record, that you've established you're going to increase the transparency and communication going forward, that would be very much appreciated and will go a long way towards restoring that credibility. There's also the question and I've been told throughout this whole process; our resources are constrained. That's always our first question because we can help with that often. I've been told that wasn't an issue here. I do question if the additional resources that are probably coming into play here, where are they

coming from exactly within the funding process. But you do have the adequate resources to execute what you have. That would be my only other question. This is more comments than questions but where are those resources coming from? Is there anything else you need from us that could help the situation?

COLONEL MELIN: For the resourcing question, sir, I can speak to that. The removal of Elizabeth Lock and Dam is fully funded and paid for. The cost for accelerating it is within the project contingency that was reserved in order to essentially prepare for the unexpected. Right now we have a mobilized contractor onsite who's accelerating his subcontractors' delivery, has pulled additional equipment and manpower from across the region, some from as far as Ohio and has been working through the local unions to make that happen. Where we see the further efficiencies happening is in us working with the contractor onsite, observing where any friction points are emerging in the delivery of this project, and rapidly adjusting. Where we see, we have to be on it and watching it and tuned in on the day-to-day to ensure that we don't see an issue emerge that we lag on. That's the piece and it's about us being committed and being present to deliver every single day until that channel is opened.

MR. KREIDER: I would request that that transparency be delivered in every one of those daily updates if we see something going one way or the other, good or bad. We would –

COLONEL MELIN: Absolutely, sir.

MR. KREIDER: Very important to us. Thank you.

GENERAL GRAHAM: Rich, I apologize this happened.

MR. KREIDER: That's appreciated. Taking ownership of it, Colonel, that's all we could ask. My question, I'm always in a triage mode in operations and logistics, how do we get where we need to be is my first and foremost focus. But this group is also wants to question at some point accountability and how do we get the credibility and reliability within the system.

GENERAL GRAHAM: Colonel Melin is focused on the right thing which is how to get that dam out of your way. I'll ask General Quander to come on up and to talk to the accountability piece. Do you have any comments, Mark?

GENERAL QUANDER: Team, Our focus right now still is opening up the navigation channel to 9 feet. At the same time, we'll do an AAR [After Action Review] on how we got to where we're at, but we're still in the initial phases of that.

GENERAL GRAHAM: We're going to share that with you.

MR. KREIDER: Thank you.

GENERAL GRAHAM: Thanks, Nick.

GENERAL GRAHAM: Are we getting more Steve?

MR. CLOUSE: Thank you, Colonel. We get Steve to finish up Lower Mon and hit on the Upper Ohio. It's all yours.

MR. FRITZ: For the look ahead, there's not a lot to change with this from the slide from the last time so we can just move on from this unless there's questions. On May 10th, we opened up that new lock chamber there at Charleroi. It's fully operational, as I said, from its control shelters now. We're still working on the programming in that control tower. They're scheduling with the subcontractor that does that programming to come in and get that resolved as quickly as possible. Today happens to be the last day for the pre-final inspections out there. I think they've had a series of six of those so far. As we're talking today, they're going to pre-final on things like some of the hydraulic steel structures and just to make sure that things are addressed before we turn it over to operations. All the Board Members are invited to attend the ribbon cutting and the renaming of the new Charleroi Lock, which is going to be named the John P. Murtha Locks and Dam. If you remember John Murtha, he was a staunch advocate for all the navigation in our region and he was a congressman in a local District there. On the 28th of August, if you want to mark your calendars, you should all be getting invites for that pretty soon. As far as Lock and Dam number 3 goes, I know the Commander talked to that quite a bit already. I'm not going to talk anymore to that. Paul, I don't know if you had a video to show or if you even want to show that?

MR. CLOUSE: No, we don't have the video loaded up.

MR. FRITZ: That's Lower Mon unless there's any additional questions.

GENERAL GRAHAM: Just back to Rich's point, you're good we're tapping into some contingency funds that you had set aside; you are not being throttled back by funding to get that dam out of the way as fast as possible?

MR. FRITZ: No, sir. There was contingency in that contract for that reason.

GENERAL GRAHAM: Okay.

MR. FRITZ: Not for that particular reason, but for things that happen on the way to church.

The Upper Ohio project. Just to try to get back on schedule, I'm just going to hit the highlights. I reported at the last Users Board meeting that right before I got to the Users Board meeting, we had an accident out onsite where a gentleman hurt his hand. That gentleman returned to work the very next day and he's been working there ever since. He's doing good. It's unfortunate the accident occurred, but they have beefed up their safety requirements. They talked specifically about load handling. The cost performance metrics up there in the right, we're still ahead of schedule. We haven't used contingency funds yet for the Upper Ohio. The next major contract award is the Montgomery new river chamber, and I am happy to report that we're very confident we're going to have a contract award by the end of this fiscal year. That's a big step for the District and for the region. As far as an overall schedule, I know you've all seen this. I haven't changed this at all, and I know there's a couple slides that have changed in the past two, three weeks. But if you have any questions about this, I can entertain those. Otherwise, we'll move on. I see no questions on schedule. These were new slides that were added. For efficient funding, Montgomery, I'm reserving anything related to Montgomery's efficient funding because we're

going to know here by the end of the fiscal year what that glide path is going to look like for Montgomery and then we can give you hard numbers. I see, Marty, you have your hand up, sir.

MR. HETTEL: Yes, Steve, Marty here. Again, similar to my comments on Lagrange, our slides that you gave us show you're looking for \$791 million in FY2024. The CIS has that split out between '25, '26, and '27. We need to be on the same page in this stuff.

MR. FRITZ: Yeah.

MR. HETTEL: My second comments, you talk about Emsworth efficient funding, \$1.85 billion in 2026 and \$1.98 billion under Dashields in 2031. There's no sense in even putting those numbers in there. That's not going to happen.

MR. FRITZ: Yeah. You're right, Marty, That's exactly right. Now the Capital Investment Strategy is going to inform all that. The way this slide was put together was if we were to try to get the efficient system as quickly as possible, that's the funding we would need. We'd be ready to advertise an award for a contract in '26 and '27 for Emsworth; that's why that number is there. We need to focus more on what is going to be reality and I think that's going to be associated with that Capital Investment Strategy. I noticed this morning that Emsworth and Dashields really weren't identified at least until 2034, 2040, in that time frame. Once we get that Capital Investment Strategy, we can lay out these schedules a little more transparently.

MR. HETTEL: Because we've got two public documents here that contradict each other.

MR. FRITZ: Well, one is efficient funding. When I look at the Montgomery, for instance, you said the \$791 [million] and then you had the \$791 [million] broken out over a period of time, if you get the \$791 [million] today, if that came today, that's not going to save any money on the contract, but it's going to save money from the standpoint of schedule time. It lets the contractor become more efficient in the things they do if they have all that money upfront. That's --

MR. HETTEL: I understand that. The point I'm making is, we've got a public document that was shared here with the Users Board with Capital Investment Strategy that contradicts what you're requesting for efficient funding. We need to be on the same page.

GENERAL GRAHAM: That's not the only place here that we've had disconnects.

MR. HETTEL: I understand.

GENERAL GRAHAM: We've got some policing this up to do, so the Capital Investment Strategy is coming out, the PMs for the projects are working day in and day out. We've got some work to do to make sure we're not confusing everybody on what reality is. So, acknowledge.

MR. HETTEL: Again, General, by our next Users Board meeting, they need to be synchronized so that we have a Capital Investment Strategy going to the Hill and these public documents at our meeting don't contradict that Capital Investment Strategy. My only point.

MR. WOODRUFF: This is Matt Woodruff. I actually don't agree with that. I think they're two different things. Now, maybe the nomenclature is wrong so that we're using the same term to describe two different things. But if a District funds were no object, if it could be done, then

that's what their capability is to most efficiently fund. The Capital Investment Strategy I think shows a more realistic estimate of what could be done under the different scenarios. But I would hate to get into a situation where we're not honestly telling the Board what the Corps could do if given the resources. Maybe we need to change the nomenclature more so than we need to change the numbers.

GENERAL GRAHAM: We're going to put Tiffany to work here because she doesn't have enough to do. I agree with both those points of view. We're going to chew on that. We'll come back to the next Board meeting and to say we don't want to confuse you all. We don't want to confuse the project delivery teams. We don't want to confuse Congress. We'll come back with how we could we not throw the baby out with the bath water, which is I think what you're all trying to say. We acknowledge that.

MR. WOODRUFF: We need to de-conflict it.

GENERAL GRAHAM: Yes.

MR. WEBB: There's a difference between Corps capabilities and funding capabilities is I guess what this group is saying.

MR. WOODRUFF: We're funding reality.

CHAIRMAN MURPHY: Around our shop we talk about confusing the friendly, and right now we are really confusing the friendly with these multiple approaches to the same work and that's unfortunate because I agree with both gentlemen, there's no way, I believe, that we're going to see \$1.85 billion for any one project anytime soon. That doesn't really help.

GENERAL GRAHAM: That strategy is not a budget document so we got to be very careful --

CHAIRMAN MURPHY: Correct.

GENERAL GRAHAM: -- not to get close to that.

CHAIRMAN MURPHY: But Matt is absolutely correct that we need to be able to know and also share with Congress, hey, look, if you do have an extra \$3 billion, this is what we could do with it.

GENERAL GRAHAM: That's right.

MR. WOODRUFF: This is Matt Woodruff again. That is precisely my point. We didn't know that the Bipartisan Infrastructure Law was going to come along, and I wish today we had had better estimates of what capabilities and costs were because we could have made better decisions as to how to allocate that money. I think we always need to know what we can do and what it's going to cost just in case somebody does drop a few extra billion dollars into the program.

CHAIRMAN MURPHY: That's different than our plan and hope for efficient funding.

GENERAL GRAHAM: We'll certainly take that on and come back the next Board meeting with how to do this, lay it out better and not confuse the friendly.

MR. FRITZ: Very much appreciate that discussion because that's exactly I think the discussion we need to have. Lock challenges and issues at Montgomery. Nothing has changed on this. The biggest concern I still have is whether we have a functional lock all through that period of performance for the new lock chamber construction. Like I said, from a funding standpoint, funding is always a concern. But as I told you, we're confident we're going to have an award by the end of this fiscal year. Advanced construction contracts. I can't say that enough about things and I know some of the folks out at [Lock] 25 talked about that yesterday. They've done some advanced construction contracts. Those save time in those major lock contracts. It might reduce the period of performance on those major lock contracts with great amounts of overhead per year, might reduce them by a year or two years. If we can get money in advance for those, that's a perfect way to do that and then that main lock contract, we can hit the ground running. I've already talked about awarding Montgomery. Just some construction photos here. On the left-hand side, we have significant progress on our batch plant site development contract. We have the Esplanade site development contract. Both of those are wrapping up, one is the Esplanade site development contract is in August that should be wrapping up. The concrete batch plant site development, that's going to wrap up by I think the October, November time frame. Emsworth Lock and Dam, to our previous discussion, the same thing. Marty, you and I had a discussion yesterday on the bus about that \$1.85 billion down there. That's the efficient number. If we could get that today, that's what we could use it for. Then the rest of them should add up to the same number over at the right-hand side. Yes, sir.

MR. HETTEL: On a different point here. Our last Users Board meeting, we passed a motion for your \$77 million from the BIL to be transferred to Montgomery because Capital Investment Strategy, again, I'm falling back to that, states we shouldn't start design until three years before construction is going to start. Is that \$77 million going to sit there until 2033, '34 when you start construction, if that's the next lock?

MR. FRITZ: We are discussing that with our Division right now, myself and Mr. Trzaska have been working with Mr. Savage to try to determine what's the right level of effort there to stop that design at a certain point, if that's the direction we chose to go.

MR. HETTEL: Okay. You'll give us an update at the next Users Board on that?

MR. FRITZ: Yes, sir.

MR. HETTEL: Okay. Thank you.

CHAIRMAN MURPHY: This is Spencer Murphy. I would just say, for the record, I think it's still the sense of the Board that that motion is still pending and we would want that money transferred out of the design of Emsworth and into Montgomery where it can be better utilized at the moment.

MR. FRITZ: Certainly, appreciate that, Mr. Murphy. I did talk about this the last time, is that this is a project that has three particular locks in it. If you have four bad tires on your car, we have three locks that are in jeopardy of failure, we're not just going to replace one tire on our car.

We're going to try to do all four as quickly as we can. I understand the constraints of the funding. But that's some of the consideration there from a District perspective.

MR. JUDD: Steve, Damon Judd, respectively from the Board perspective and the conversation we had about two major projects at the same time, I just think it's important that you all hear what we're trying to communicate in terms of industry-wide priorities that span across all these regions and all these projects. Understood at the division level, but this is a really important point to us.

MR. FRITZ: Thank you. Understood. Same thing with Montgomery, if we have a failure before recapitalization, that's a big concern. We're in the 60 percent design. We're going to wrap up the 60 percent design late this calendar year. Big thing is securing real estate. That's something that we'd want to pursue more in advance because it is a complicated real estate acquisition, could take anywhere from four to five years for us to acquire that real estate based on where it is. The only thing that's really going on other than the design is the filling and emptying system, and the navigation modeling is still happening down at ERDC. Then I don't think we need to talk about Dashields unless you really want to because that's pretty far down the chute, unless anybody wants to go into that. Same challenges with Dashields. That's all I have today for you unless there's additional questions. Once again, I appreciate the time the Board has spent listening to us and I'll see you again in three or four months.

MR. CLOUSE: Thank you, Mr. Fritz. This brings us to our public comments portion of the meeting. There have been no requests to make public comment before the Board and no written statements were submitted for the record. Before we move to closing comments, I'd like to express my sincere appreciation and gratitude to the St. Louis District Staff, especially recognizing Ms. Kate Leese, Ms. Brooke Magary, Ms. Trisha Ashoff, Ms. Johna Murphy, and Mr. Jose Lopez for all the leg work getting this event set up ensuring it goes off without a hitch. It truly takes a team to make these meetings successful; thank you. Starting with closing comments, Ms. Brown, would you have any closing comments?

MS. BROWN: Just appreciated the opportunity to be here today. Understand and acknowledge the comments the Board made in terms of needing clear information so that you can support our efforts to make sure we've got a reliable and safe system. I would encourage the Corps to make sure that you have that information. Appreciate the engagement and really enjoyed the opportunity to get out yesterday on site. It's nice to get out to see the projects when you're fighting for the funds to keep them going; appreciate that. Thank you.

MR. CLOUSE: Thank you, Ms. Brown. Next, General Graham, do you have any closing comments? He's working on that. We'll go to Chairman Murphy for closing comments.

CHAIRMAN MURPHY: Thank you, everybody. Thanks again, the District, for the tour yesterday. I thought this was a really good discussion. Not every topic is pleasant, obviously, but maybe that's where the best conversations are had. I don't think we need to rehash every point, but just please hear what we are asking for, which is clear information that we can share with Congress so that when we tell Congress something, it doesn't look completely different from what the Corps is telling Congress because that's how we end up at the back of the line when it

comes to funding. I think that last discussion was really important about we need to understand all the different categories of capabilities. The way I look at it, and I don't want to use these words to confuse friendly, but there's the perfect capability that says, hey, if there was a rainy day, rainfall that showed up, what could you do with an extra billion or \$2 billion or \$3 billion. Then there's efficient funding and, again, this is just my words; efficient funding which says, the plan that you have in place all going well, you would expect to hopefully see this much money each year to keep you on track to either meet or beat your target date. The inefficient scenario ought to be what is the least amount of money you could have available each year to keep you from sending people home without having to reload the next year. That's just my way of looking at it. I think we can maybe all talk about different ways of how we want to define it, but that's what we're talking about. That efficient middle scenario is what we need, most of all, when we go talk to Congress. If we can just get to that point of saying this is what that number is for each of these projects, that would be a huge win and would help us help you, which at the end of the day, that's the role of this Board is to help the Corps get these projects done. That's enough for me, if anybody else has any comments, the floor is open. Thank you very much. I thought it was a really productive meeting.

MR. CLOUSE: Thank you, Chairman Murphy. At this time, would any Board Members like to make any closing comments? Vice Chairman Judd? General Graham, the floor is yours.

GENERAL GRAHAM: No. I've talked enough. Thanks, folks. Well done, St. Louis.

MR. CLOUSE: Okay. Thank you, everyone. Since we have no more comments, can I receive a motion to adjourn this meeting?

MR. WOODRUFF: So moved.

MR. CLOUSE: There is a motion to adjourn the 103rd meeting of the Inland Waterways Users Board. Can I get a second?

CHAIRMAN MURPHY: Second.

MR. CLOUSE: Is there any discussion on the motion to adjourn? Hearing no discussion, all in favor of approving the motion to adjourn, the meeting say aye.

(All Ayes.)

MR. CLOUSE: Any nays? Hearing none, it is unanimous. This concludes the 103rd Inland Waterways Users Board meeting. Fair winds and following seas.

Inland Waterways Users Board No. 103
St. Charles, Missouri
August 1, 2024
List of Participants

<u>Last Name</u>	<u>First Name</u>	<u>Affiliation</u>
Akins	Matt	CGB Enterprises, Inc.
Armstrong	Ms. Jennifer "Jen"	Waterways Council, Inc. (WCI)
Astrero	Ashily A.	Maryland Department of Natural Resources
Berogan	Aaron C.	USACE, St. Louis District
Black	Travis	U.S. Dept. of Transportation, Maritime Administration (MARAD)
Bodron	James A. "Jim"	USACE, Mississippi Valley Division
Bowley	Rynn	The Fertilizer Institute
Bronson	Ms. Candida K.	USACE, South Atlantic Division
Brown	Ms. Stacey E.	HQDA, Office of Assistant Secretary of Army for Civil Works
Brown	Theodore A. "Tab"	USACE, Headquarters, 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
Clouse	Paul D.	USACE, Institute for Water Resources
Coleman, Jr.	Wesley E.	USACE, Southwestern Division
Cotton	CPT Joseph R.	USACE, Nashville District
Cox	Ashley N.	USACE, St. Louis District
Crossett	CPT Brandon T.	USACE, Headquarters, Civil Works Executive Office
Dauenhauer	Rob M.	USACE, Inland Navigation Design Center (INDC)
Dellorco	Louis A. "Lou"	USACE, St. Louis District
Dening	Christopher T.	USACE, Pittsburgh District
Diaz-Reyes	Carlos J.	USACE, St. Louis District
Dickens	Justin	Crounse Corporation
Dirks	Bryan J.	USACE, Inland Navigation Design Center
Dreyer	Bradley K.	USACE, Headquarters, Resource Management
Eckhardt	W. Cody	USACE, Mississippi Valley Division
Ellis	Kristopher C.	USACE, Vicksburg District
El-Naggar	Kareem S.	USACE, Great Lakes & Ohio River Division
Elzey	Durund F.	USACE, New Orleans District
Evans	Mark Philip	USACE, Nashville District
Fancher	1LT Peyton A.	USACE, Great Lakes & Ohio River Division
Felder	Cherrie	Waterways Council, Inc. (WCI)
Fleming	Dr. Elizabeth "Beth"	USACE, Mississippi Valley Division
Fleming	Garett D.	USACE, St. Louis District
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
Green	LTC Robert Warren	USACE, Nashville District
Guandique	LTC Guillermo J.	USACE, Louisville District
Harshman	Scott	Port of Pittsburgh Commission
Haussener	Jim	California Marine Affairs & Navigation Conference (CMANC)
Hawkins	Lenna	USACE, INDC
Hernandez	Eliel	USACE, St. Louis District
Hettel	Martin T.	American Commercial Barge Line LLC (ACBL)
Hoey	Ms. Jeanine	Private Citizen (Port of Pittsburgh)
Jackson	Clay	Shimmick Corporation
James	MAJ Andrew H.	USACE, St. Louis District
Johanson	Ashleigh M.	USACE, St. Louis District
Jones	COL Cullen A.	USACE, New Orleans District
Judd	Damon S.	Marquette Transportation Company
Kayser	Greg	McDonough Marine Services
Kearns	James A.	Jones Walker LLC
Kreider	Richard C.	Campbell Transportation Company
Kruse	Junifer K.	USACE, Mississippi Valley Division
Leese	Catherine "Kate"	USACE, St. Louis District
Lichtman	Kenneth E.	Private Citizen
Loftus	Star M.	USACE, St. Louis District
Lopez	Jose R.	USACE, St. Louis District
Lovett	David	USACE, Rock Island District
Lowe	Marilyn H.	USACE, St. Louis District
Mack	Thomas P.	USACE, INDC
Magary	Brooke E.	USACE, St. Louis District
Manning	Jeremiah P.	USACE, Nashville District
Maroney	Robert Q.	USACE, Rock Island District
Mathiowetz	Samuel E.	USACE, St. Paul District
McCormack	Frank	The Waterways Journal Weekly
Melin	COL Nicholas O.	USACE, Pittsburgh District
Miller	John L.	USACE, St. Louis District
Moe	Kristin M.	USACE, St. Paul District
Moulton	Craig M.	USACE, HQ Operations & Regulatory Div, Navigation Ops
Mulik	Kranti	USDA, Transportation Economics
Murphy	W. Spencer	Canal Barge Company
Murray	David	The Waterways Journal Weekly
Navarro	Ramon F.	USACE, Galveston District
Olson	Patty	Shimmick Corporation
Pannier	COL Andy J.	USACE, St. Louis District
Pavlosky	Matt	Port of Pittsburgh Commission

Peukert	John N.	USACE, St. Louis District
Pierce	Craig R.	USACE, Little Rock District
Pointon	Mark R.	USACE, Institute for Water Resources
Quander	MG Mark C.	USACE, Great Lakes & Ohio River Division
Ramos-Gines	Orlando	USACE, Galveston District
Reich	Ryan P.	USACE, Mobile District
Riley	Steven D.	USACE, Institute for Water Resources
Rohde	Paul	Waterways Council, Inc. (WCI)
Savage	Joseph M. "Joe"	USACE, Great Lakes & Ohio River Division
Schimpf	Andrew C.	USACE, St. Louis District
Schwenk	Joseph	Alberici Constructors
Scott	Paige A.	USACE, St. Louis District
Shaver	Steve	Shaver Transportation Company, Inc
Singh	Anshu	Corn Belt Ports
Sinkler	Robert	Corn Belt Ports
Smith	Thomas P.	USACE, HQ Operations & Regulatory Division
Smith	Christopher W.	Corn Belt Ports
Smith	Dr. Matthew D. "Matt"	USACE, Engineer Research and Development Center
Stamper	Douglas	USACE, North Atlantic Division
Stenquist	Brian	Upper Mississippi River Basin Association (UMRBA)
Tarpey	Michael J.	USACE, Rock Island District
Taylor	Ms. Crystal D.	Ingram Barge Company
Thompson	Christopher C. "Chris"	USACE, Nashville District
Torbett	Russell "Rusty"	USACE, CIO G-6
Trammell	Bradley	American Waterways Operators, Inc. (AWO)
Trzaska	Brian M.	USACE, Pittsburgh District
Turner	Richard C.	USACE, Southwestern Division
Twitchell	Brian	Tetra Tech
Wallace	Ms. Kirsten	Upper Mississippi River Basin Association (UMBRA)
Watson	Vickie L.	USACE, Memphis District
Webb	Jeff	Cargill, Inc.
Wiggins	Charles E. "Eddie"	USACE, Engineer Research and Development Center
Williams	COL Aaron M.	USACE, Rock Island District
Winters	Robert L.	USACE, Nashville District
Wiseman	Kyle L.	USACE, St. Louis District
Wood	Ryan T.	USACE, Mississippi Valley Division
Woodruff	W. Matthew "Matt"	Kirby Corporation
Zea	Tracy	Waterways Council, Inc. (WCI)