

Inland Waterways Users Board

Meeting No. 84

Portland, Oregon

Financial Report & Project Summaries

Mr. Jeff McKee

USACE Headquarters

July 19, 2017



US Army Corps of Engineers
BUILDING STRONG®



FY 17 Status of Trust Fund

(30 June 2017)

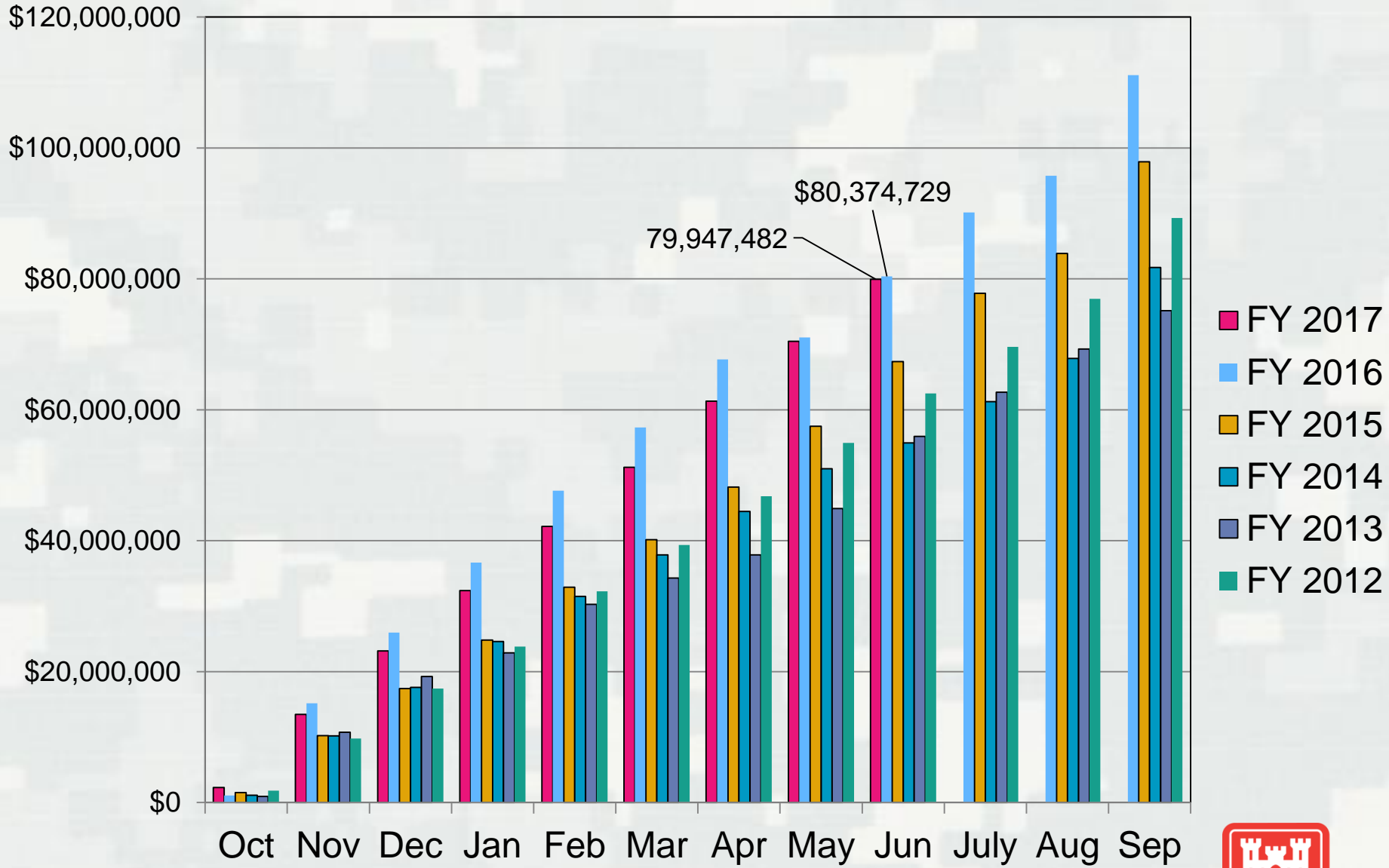
	IWTF	USACE
FY 17 Beginning Balance:	\$57,350,502	\$0
Previous Transfer Authority(SEQ/ATB)	\$0	\$0
Previous Transfer Authority(PTA)	\$0	\$0
Total Beginning Revenue Balance -	\$57,350,502	\$0
Transfers from Corps (8861) to IWTF	\$0	\$0
FY 17 Fuel Tax Revenue:	\$79,538,870	\$0
FY 17 Interest:	\$408,612	\$0
Total Year To Date Revenue -	**\$79,947,482	\$0
Total Revenue Balance -	\$137,297,984	\$0
Transfers from Project to Corps HQ IWTF (8861)	\$0	\$275,000
Transfers from IWTF to Corps HQ IWTF (8861)	-\$37,600,000	\$37,600,000
Transfers from Corps (3122) to US Treasury	\$0	\$0
Total Activity -	-\$37,600,000	\$37,875,000
FY17 Available Balance -	\$99,697,984	\$37,875,000

Source: IWTF statements from Dept. of Treasury, Bureau of Public Debt.

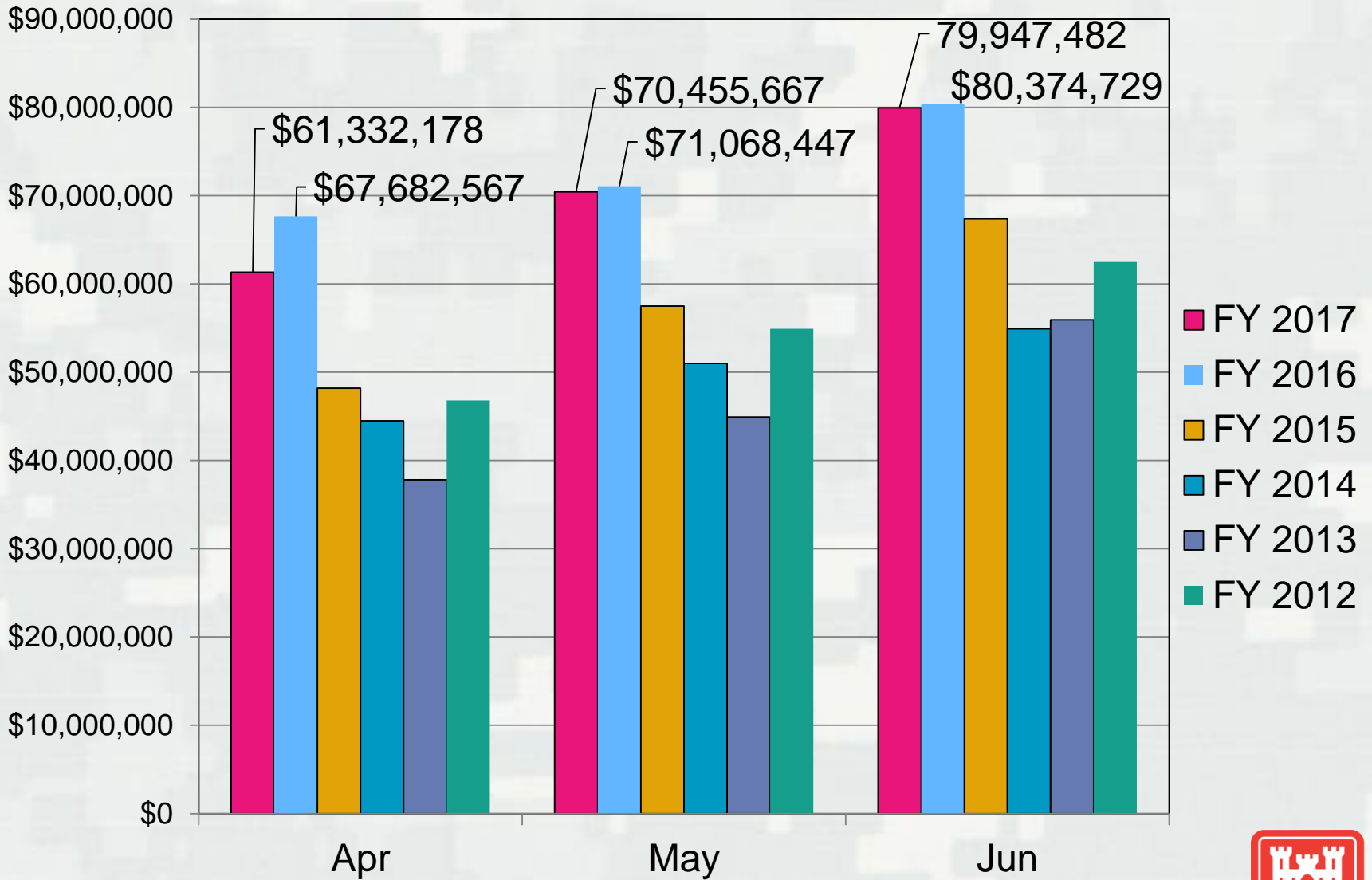
**Amount includes adjustment made by Bureau of Fiscal Service to bring appropriated estimates to actual taxes received.



INLAND WATERWAYS TRUST FUND REVENUE



INLAND WATERWAYS TRUST FUND REVENUE



IWTF Projects – President’s Budget and Total Allocation

Project	Funding Item	¹ FY2013	FY2014	FY2015	FY2016	FY2017	<u>FY2018</u>
<u>Olmsted</u>	President’s Bud	\$144,000,000	\$163,000,000	\$160,000,000	\$180,000,000	\$225,000,000	\$175,000,000
	Total allocation	\$143,712,000	² \$165,712,374	³ \$212,710,000	\$268,000,000	¹¹ \$250,000,000	\$0
<u>Lower Mon</u>	President’s Bud	\$36,650,000	\$1,960,000	\$9,032,000	\$52,000,000	\$0	\$0
	Total allocation	\$23,697,311	^{2,4} \$72,673,000	² \$55,888,463	\$58,900,000	¹¹ \$82,010,000	\$0
<u>Emsworth</u>	President’s Bud	\$0	\$0	\$0	\$0	\$0	\$0
	Total allocation	\$5,881,785	² \$2,000	² \$-2,715,701	\$0	¹¹ \$1,000,000	\$0
<u>Kentucky L&D</u>	President’s Bud	\$0	\$0	\$0	\$0	\$0	\$0
	Total allocation	\$44,285,500	\$0.00	⁴ \$14,700,000	⁹ \$45,700,000	¹¹ \$39,000,000	\$0
<u>Chick L&D</u>	President’s Bud	\$0	\$0	\$0	\$0	\$0	\$0
	Total allocation	(\$3,600)	⁵ \$1,815,000	⁶ \$3,000,000	⁹ \$29,600,000	¹¹ \$37,000,000	\$0
<u>Lockport</u>	President’s Bud	\$3,600,000	\$11,400,000	\$0	\$0	\$0	\$0
	Total allocation	\$4,990,000	\$28,800,000	\$0	\$1,700,000	¹⁰ \$(550,000)	\$0
<u>IHNC</u>	President’s Bud	\$0	\$0	\$0	\$0	\$0	\$0
	Total allocation	\$0	\$0	\$0	\$0	\$0	\$0

1. FY13 was under a Continuing Resolution Act
2. Reflects reprogramming from Lower Mon (FY14: \$2M to Olmsted & 2K to Emsworth and FY15 \$2K to Emsworth), and withhold.
3. Reflects FY2015 PB (\$160M) & Funding Pot allocations (\$47.3M - NAV), (\$4.9M - Hydro), McAlpine reprogramming (\$510K)
4. Reflects \$2M reprogrammed from Lower Mon to KY L&D (Nov 2014) & FY2015 NAV Funding Pot allocations (\$12.7M).
5. Reflects withhold.
6. FY2015 NAV Funding Pot allocations (\$3M).
7. ARRA funds erroneously omitted.
8. Reflects \$2K reprogrammed from L&D 27 to Mel Price
9. Reflects \$300K reprogramming from Chick L&D to KY Lock as a result of higher than anticipated bids for DS Cofferdam contract required for risk-based TPCE, FY17 construction contract design activities, and an Economic Update.
10. Reflects \$550K reprogrammed from Lockport (Split 50% General Treasury/50% IWTF) to Fargo Moorhead Metro (100% General Treasury). The \$275K IWTF reprogrammed from Lockport remains at HQUSACE for future allocation to IWTF projects.
11. Amount includes allocation provided through the FY17 work plan.



Project Updates

(Mississippi Valley Division)

- Lockport
- Inner Harbor Navigation Canal (IHNC)



Lockport Pool Major Rehabilitation, Illinois Waterway, IL

	ARRA	CG	IWTF	Total
Total Project Cost:	\$59,372,414	\$76,253,161	\$15,250,000	\$150,875,575
FY13 Allocation:	\$0	\$4,990,000	\$0	\$4,990,000
FY14 Allocation:	\$0	\$14,400,000	\$14,400,000	\$28,800,000
FY15 Allocation:	\$0	\$0	\$0	\$0
FY16 Allocation:	NA	\$850,000	\$850,000	\$1,700,000
FY 17 Allocation:	NA	\$(275,000)	\$(275,000)	\$(550,000)
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:				
		\$0	\$0	\$0
Remaining Balance Change From Last Meeting				\$0
<u>Changes</u>				
None				

Funding Overview

- Original Authorized Cost: \$ 151M
- Sec 902 limit: \$ 163M
- ARRA Funding (FY09-11): \$ 59.4M
- Engineering & Design Cost: \$ 8.4M
- Supervision & Admin Cost: \$ 5.5M
- Mitigation: \$.8M
- Prior to FY14 - 100% CG Funds
- Post FY14 allocations 50-50 CG/IWTF

Current Status of the Project

- Project physically completed Mar 2017
- Financial completion scheduled Sep 30, 2017.

Next Steps



Lockport Pool Major Rehabilitation, Illinois Waterway, IL

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete	Project Benefits	Capitalized Cost Closeout
Stage 1C Powerhouse Forebay Wall	(DD-MM-YY) 02-04-12	(DD-MM-YY) 11-09-14	(DD-MM-YY) 31-03-17	(DD-MM-YY) 31-12-16	(DD-MM-YY) 30-09-17



IHNC Lock Replacement, GIWW, LA

	ARRA	CG	IWTF	Total
Total Project Cost:	\$0	\$791,588,500	\$609,837,500	\$1,401,426,000
FY13 Allocation:	\$0	\$0	\$0	\$0
FY14 Allocation:	\$0	\$0	\$0	\$0
FY15 Allocation:	\$0	\$0	\$0	\$0
FY16 Allocation:	NA	\$0	\$0	\$0
FY17 Allocation: (As of 31 Mar 2017)	NA	\$0	\$0	\$0
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:		\$719,440,000	\$543,598,000	\$1,263,038,000
Remaining Balance Change From Last Meeting				\$0
<u>Changes</u>				
<ul style="list-style-type: none"> <li style="color: red;">• Agency Decision Milestone for GRR was held on 21 June 17 				

<u>Funding Overview</u>	
• Original Authorized Cost:	\$714M
• Not applicable to Sec 902	
• ARRA Funding (FY09-11):	\$ 0M
• Engineering & Design Cost:	\$39.8M
• Supervision & Admin Cost:	\$ 2.5M
• Mitigation:	\$ 4.0M

<u>Current Status of the Project</u>
<ul style="list-style-type: none"> • USACE performing a review of the interim project accounting. • Continue Lock Replacement GRR.

<u>Next Steps</u>
<ul style="list-style-type: none"> • Continue GRR for lock replacement Scheduled completion June 2018. • MVN will send formal funding request letter for the amount owed by the Port of New Orleans August 2017 to close out the construction project.



IHNC Lock Replacement, GIWW, LA

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete	Project Benefits	Capitalized Cost Closeout
Task 1- last completed	N/A	N/A	N/A	N/A	N/A
Task 2- Next or ongoing	N/A	N/A	N/A	N/A	N/A
Task 3	N/A	N/A	N/A	N/A	N/A



Project Updates

(Great Lakes and Ohio River Division)

- Olmsted
- Monongahela River Locks 2, 3 and 4
- Emsworth
- Kentucky
- Chickamauga



Olmsted Locks and Dam, Ohio River, IL & KY

	ARRA	CG	IWTF	Total
Total Project Cost:				*\$3,059,266,000
FY14 Allocation:	\$0	\$124,106,000	\$41,606,000	\$165,712,000
FY15 Allocation:	\$0	\$180,803,500	\$31,906,000	\$212,710,000
FY16 Allocation:	NA	\$227,800,000	\$40,200,000	\$268,000,000
FY17 Allocation: As of 16 Jun 2017	NA	\$212,500,000	\$37,500,000	\$250,000,000
FY18 Budget	NA	\$148,750,000	\$26,250,000	\$175,000,000
Remaining Balance:		**\$419,783,550	**\$74,079,450	**\$493,863,000
Remaining Balance Change From Last Meeting				\$-250,000,000

Note: * Cost and Schedule data reflective of the latest Certified Cost Estimate (01 OCT 2015 price levels) completed in APR 2016.

** Remaining balance does not include projected FY18 Budget allocations.

Changes

None

Funding Overview

- Original Authorized Cost: \$ 775M
- 902 Limit: \$3,559M
- ARRA Funding (FY09-11): \$ 29.5M
- Engineering & Design Cost: \$168.5M
- Supervision & Admin Cost: \$131.0M
- Mitigation: \$ 16.0M

Next Steps

- Unwater LBA
- Complete precast of TW-6A & TW-6B
- Set RBA-2 & RBA -3
- Erect TG-5
- Unwater TG Bay 4
- Set TW-1A & TW-1B

LBA – Left Boat Abutment

LWS – Low Water Season (contractually 15 Jun – 30 Nov)

NP – Navigable Pass

PB – Paving Block

RBA – Right Boat Abutment

SB – Service Bridge

TG – Tainter Gates

TW – Training Wall

Current Status of the Project

- One major shell element remains (NP-12A)
- River Dike Nos. 1 - 4 complete
- TG - 5 delivered 55 weeks early
- Service Mound buildings foundations started
- Wicket Lifter crane(s) factory tests underway
- High water has delayed start of TG Bay work (recoverable)



Olmsted Locks and Dam, Ohio River, IL & KY

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete	Project Benefits	Capitalized Cost Closeout
Dam	26-Aug-96	28-Jan-04	30-Sep-19	1-Oct-18	31-Mar-20
Wicket Lifter	1-Jan-15	2-Sep-16	21-Dec-17	14-Feb-18	30-Jun-18
Building & Grounds	1-Dec-15	2-Feb-17	8-May-18	1-Sep-18	31-Jan-19
Demolition L&D 52	1-Feb-17	1-Jul-19	1-Aug-21	N.A.	31-Dec-21
Demolition L&D 53	15-Oct-16	1-Nov-17	1-Dec-19	N.A.	30-Mar-20
River Dikes	12-Feb-15	12-Aug-16	31-Aug-21	1-Oct-21	31-Dec-21

NOTE: Green highlighted dates are actual dates.
Red highlighted dates are changes.



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

Current Project Estimate: \$1.2B*1 (\$2.7B)*3	ARRA	CG	IWTF	Total
FY13 Allocation:	\$1,510,007	\$11,093,652	\$11,093,652	\$23,697,311
FY14 Allocation:	\$0	\$36,336,500	\$36,336,500	\$72,673,000
FY15 Allocation:	(\$141,537)	\$28,015,000	\$28,015,000	\$55,888,463
FY16 Allocation:	NA	\$29,450,000	\$29,450,000	\$58,900,000
FY17 Allocation:	NA	\$41,005,000	\$41,005,000	\$82,010,000
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:		\$196,223,750	\$196,223,750	\$392,447,500
Remaining Balance Change From Last Meeting:				\$ -82,010,000

Changes: Received \$82,010,000 thru the FY2017 Work Plan

Funding Overview

- Original Authorized Cost: \$556M
- 902 Limit: \$1.76B
- ARRA Funding (FY09-FY15): \$68.3M
- Engineering & Design Cost: \$603M*2
- Supervision & Admin Cost: \$207M
- Mitigation: \$12M
- Fully Funded Estimate: \$2.733B*3

Next Steps

- Preparing dredging package for Award – FY17 (**September**)
- Award RCC Option 1 & RCC Option 2 – FY17 (**August**)

Current Status of the Project

- Charleroi M22 – M27 Construction – **3%** behind schedule – not impacting project completion
- Charleroi RCC Construction – On schedule
- **FY18 capability will be increased from \$105M to \$135M to fund out-year EDC/SA and Contingency on active Contracts.**

*1 Receipt of FY17 funding holds the “over 90% benefits” project cost at \$1.2 B. New certified cost estimate completed in April 2017 increased the cost from \$1.2 B to \$1.3 B and assumed no FY17 funding.

*2 \$603M includes all Engineering & Engineering During Construction

*3 New certified cost estimate completed in April 2017 increased the cost from \$2.7 B to \$2.8 B and assumed no FY17 funding. Receipt of FY17 funding holds total project cost at \$2.7 B.



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

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete *2	Project Benefits*3	Capitalized Cost Closeout*3
Charleroi River Wall	1-Oct-95	27-Sep-04	30-May-16	2022	2025
Charleroi Emptying Basin	1-Oct-95	30-Sep-13	11-Nov-15	2022	2025
Charleroi River Chamber (M22-M27)	1-Oct-95	15-Aug-14	2019 S	2022	2025
Charleroi Dam Stilling Basin	1-Oct-95	FY 2018 S	FY 2021 S	2022	2025
Charleroi River Chamber Completion	1-Oct-95	16-Sep-15	FY 2023 S	2022	2025
L/D 3 Removal	2020	2021 S	FY 2023 S	2022	2025
Dredging	1-Oct-95	2017 S	FY 2022 S	2022	2025
Municipal Relocations *1	1-Oct-95	Multiple	Multiple	NA	2025

- * 1: To complete all municipal relocations, multiple relocation agreements are required.
- * 2: Dates are achievable based on the most efficient funding profile (early schedule).
- * 3: Project benefit and close out dates are based on the most efficient funding profile & breaching of Dam 3. Early contract completion for Dam 3 removal extends into 2023.
- 4: River Chamber Completion (RCC) Option 1 and Option 2 **will be awarded in August, FY 2017.**
- 5: Charleroi M22-M27 Construction is slightly behind schedule but there is currently no impact on receiving project benefits.

Actual

“S”= Scheduled



Emsworth Locks & Dam, Ohio River, PA

	ARRA	CG	IWTF	Total
Total Project Cost:				\$160,000,000
FY13 Allocation:	\$403,215	\$5,061,070	\$417,500	\$5,881,785
FY14 Allocation:	\$0	\$3,983,912	-\$3,981,912	\$2,000
FY15 Allocation:	-\$2,717,701	\$1,000	\$1,000	-\$2,715,701
FY16 Allocation:	NA	\$0	\$0	\$0
FY17 Allocation:	NA	\$500,000	\$500,000	\$1,000,000
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:		\$3,033,324	\$3,033,324	*\$6,066,648
Remaining Balance Change From Last Meeting				\$ -1,000,000

*Any remaining IWTF dollars will be reallocated/transferred to other IWTF requirements and will result in a reduced draw on the IWTF, which will be reflected as an adjustment in a future apportionment.

Changes: Received \$1M allocation in FY 2017

Funding Summary

- Original Authorized Cost: \$ 160M
- 902 Limit: N/A*
- Wedge Funding (FY04-05): \$ 3.5M
- ARRA Funding (FY09-FY13): \$ 30.9M
- Engineering & Design Cost: \$ 14.1M**
- Supervision & Admin Cost : \$ 8.6M
- Mitigation: \$ 0.0M

Current Status of the Project

- PDT working with RMC Risk Cadre on Post Implementation Evaluation (PIE)
- **Plans and Specs to clean and paint 2 sets of Emergency Bulkheads sent to Contracting for Small Business set-aside award.**

Next Steps

- **DSOG review scheduled 2nd QTR FY18.**
- Project scheduled to be fiscally complete in FY18

* Actual project cost will be less than Approved Cost

** \$14.1M includes ALL Engineering & Engineering During Construction



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Emsworth Locks & Dam, Ohio River, PA

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete	Project Benefits	Capitalized Cost Closeout
Back Channel Right Abutment	31-Jan-09	31-Aug-09	31-Dec-10	1-Jan-11	31-Oct-11
Main Channel Gate & Scour Rehab	1-Jun-07	30-Jul-08	31-Jan-14	1-Feb-14	31-Jul-15
Main Channel Service Bridge Rehab	31-Aug-10	13-Jan-12	26-May-14	27-May-14	30-Sep-14
Back Channel Scour Protection	30-Sep-09	31-Mar-10	31-Oct-14	1-Nov-14	31-Jul-15
Back Channel Dam Under Apron Grouting, Gate Bays 12-14	01-Feb-15	31-Jul-15	4-Nov-15	4-Nov-15	31-Jan-16



Kentucky Locks & Dam, Tennessee River, KY

	ARRA	CG	IWTF	Total
Total Project Cost:				*\$1,254,485,000
FY13 Allocation:	\$442,002	\$44,442,700	-\$137,200	\$44,285,500
FY14 Allocation:	\$0	\$0	\$0	\$0
FY15 Allocation:	\$0	\$7,350,000	\$7,350,000	\$14,700,000
FY16 Allocation:	NA	\$22,850,000	\$22,850,000	\$45,700,000
FY17 Allocation: As of 30 Jun 2017	NA	\$19,500,000	\$19,500,000	\$39,000,000
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:				\$743,595,902
Remaining Balance Change From Last Meeting				-\$39,000,000

Note: * Project cost data is reflective of 03 Jan 17 certified cost at a price level adjustment (OCT 17 \$'s), Fully Funded, 2024 completion

Changes

- **FY17 Work Plan funds received on 14 June 2017.**

Funding Overview

- **Authorized Cost: \$796,318,000 (Oct16 \$)**
- **902 Limit: \$819,736,000 (Oct15 \$)**
- **ARRA (FY09-13): \$88,833,628**
- **Engineering & Design Cost: \$109,461,000 (Thru FY16)**
- **Supervision & Admin Cost: \$18,015,000 (Thru FY16)**
- **Mitigation Cost: TBD, alternative analysis on hold pending additional funding.**

Current Status of the Project

- **Exercised all remaining Downstream Cofferdam contract options (\$27.5M) on 31 May 2017.**
- **Downstream Cofferdam construction is 6% financially complete based on awarded scope.**

Next Steps

- **Progress Downstream Cofferdam construction.**
- **Progress Economic Update.**
- **Award Site, Demolition, and Utilities construction contract by 29 Dec 17.**



Kentucky Locks & Dam, Tennessee River, KY

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete*	Project Benefits	Capitalized Cost Closeout
Task 1 – HWY / RR Superstructures	01-Oct-99	19-Sep-05	24-May-12		
Task 2 – Upstream Lock Monoliths (all Options)	01-Oct-00	29-Jan-10	30-Dec-16		
Task 3 – Upstream Miter Gate Fabrication	01-Oct-02	30-Sep-13	1-Mar-16		
Task 4 – Downstream Cofferdam	01-Oct-00	30-Sep-16	28-Nov-19		
Task 5 – Site, Demolition, & Utilities	01-Oct-00	29-Dec-17	30-Jan-19		
Task 6 – Downstream Lock Excavation	01-Oct-00	30-Sep-18	30-Mar-20		
Task 7 – Downstream Lock	01-Oct-00	30-Sep-19	12-Mar-24	12-Mar-24**	
Task 8 – Approach Walls	01-Oct-02	30-Sep-21	21-Nov-23		

*Dates are achievable based on the most efficient funding profile.

**Based on 3 Jan 17 Certified cost estimate Cost and Schedule Risk Assessment, the project has an 80% confidence level of being completed by 2028. Three of the four years of this schedule contingency is due to the risk of not receiving efficient funding.



Chickamauga Lock & Dam, Tennessee River, TN

	ARRA	CG	IWTF	Total
Total Project Cost:				*\$754,678,000
FY13 Allocation:	\$0	\$223,900	-\$227,500	-\$3,600
FY14 Allocation:	\$0	\$907,500	\$907,500	\$1,815,000
FY15 Allocation:	\$0	\$1,500,000	\$1,500,000	\$3,000,000
FY16 Allocation:	NA	\$14,800,000	\$14,800,000	\$29,600,000
FY17 Allocation: As of 30 Jun 2017	NA	\$18,500,000	\$18,500,000	\$37,000,000
FY18 Budget:	NA	\$0	\$0	\$0
Remaining Balance:				\$502,259,000
Remaining Balance Change From Last Meeting				-\$37,000,000

Note: *Cost & Schedule data reflect the FY2017 risked based total project cost update, Fully Funded, assuming 2024 completion.

Changes

- **FY17 Work Plan funds received on 14 June 2017.**

Funding Overview

- **Authorized Cost:** \$428,729,000 (Oct 16 \$)
- **902 Limit:** \$482,162,000 (Oct 16 \$)
- **ARRA Funds:** \$49,330,043 (total FY09-12)
- **Engineering & Design Cost:** \$44,934,000 (thru FY16)
- **Supervision & Admin Cost:** \$6,249,000 (thru FY16)
- **Mitigation Cost:** TBD

Current Status of the Project

- **Lock Chamber (LC) Contract package was advertised on 19 June in anticipation of a bid opening on 23 Aug 2017.**
- **Lock Excavation (LE) contract is 14% financially complete based on awarded scope.**

Next Steps

- **Exercise LE Options by the recently extended expiration date of 31 July 2017.**
- **Award LC construction contract by 30 Sep '17.**
- **Anticipate PACR submission to ASA(CW) in FY18.**



Chickamauga Lock & Dam, Tennessee River, TN

Schedule of Remaining Work	Design Initiated	Contract Award	Construction Complete *	Project Benefits**	Capitalized Cost Closeout
Task 1 – Approach Walls Fabrication	30-Mar-04	05-Apr-10	08-Mar-13		
Task 2 – Cofferdam Stabilization	31-Sep-05	25-Sep-15	18-Jul-16		
Task 3 – Lock Excavation	31-Sep-05	Sept 2016	Sept 2018		
Task 4 – Lock Chamber	11-Aug-05	Sept 2017	Dec 2023	Dec 2023	
Task 5 – Site Work and Decommission Existing Lock	11-Aug-05	Sept 2020	Sept 2024		
Task 6 – Approach Walls	11-Aug-05	Sept 2021	Dec 2023		

*Dates are achievable based on the most efficient funding profile.

**Based on June 2016 Certified cost estimate Cost and Schedule Risk Assessment, the project has an 80% confidence level of being completed by 2028. Two of the four years of this schedule contingency is due to the risk of not receiving efficient funding.



Questions

