



AGENDA

**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
BOARD OF DIRECTORS MEETING
April 20, 2011 7:30 a.m.**

Metro-East Park and Recreation District Office
104 United Drive, Collinsville, Illinois 62234

1. Call to Order
Dan Maher, President
2. Approval of Minutes of March 16, 2010
3. Program Status Report and Budget Update
Les Sterman, Chief Supervisor
4. Approval of Disbursements
5. Progress Report on Design/Construction
Jay Martin, Project Manager, AMEC
6. Review of Value Engineering Workshop Findings
7. AMEC Task Order 4 (60% Design)
8. Agreement with the Department of the Army for Rehabilitation and Reconstruction Study for Prairie DuPont and Fish Lake Levee Systems
9. Other Business

Executive Session (if necessary)
10. Adjournment

Next Meeting: May 18, 2011

MINUTES

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL BOARD OF DIRECTORS MEETING

March 16, 2011

The regular meeting of the Board of Directors was held at the Metro-East Park and Recreation District Office, 104 United Drive, Collinsville, Illinois at 7:30 a.m. on Wednesday, March 16, 2011.

Members in Attendance

Dan Maher, President (Chair, St. Clair County Flood Prevention District)
John Conrad, Vice-President (Chair, Monroe County Flood Prevention District)
James Pennekamp, Secretary/Treasurer (Chair, Madison County Flood Prevention District)
David Baxmeyer, Monroe County Flood Prevention District
Paul Bergkoetter, St. Clair County Flood Prevention District
Bruce Brinkman, Monroe County Flood Prevention District
Tom Long, Madison County Flood Prevention District
Ron Motil, Madison County Flood Prevention District
Alvin Parks, Jr., St. Clair County Flood Prevention District

Members Absent

None

Others in Attendance

Mark Kern, St. Clair County Board Chair
Alan Dunstan, Madison County Board Chair
Delbert Wittenauer, Monroe County Board Chair
Les Sterman, SW Illinois FPD Council
Kathy Andria, American Bottoms Conservancy
Ron Auld, Volkert Assoc.
Douglas Campion, Campion Group
Darryl Elbe, Hoelscher Engineering
Melissa Erker, ConocoPhillips
Mike Feldmann, U.S. Army Corps of Engineers
Mario Glorioso, AMEC Earth & Environmental
Maggie Hales, East-West Gateway Council of Governments
Mark Harms, SCI Engineering
Pam Hobbs, Geotechnology
Mike Huber, KdG
Charles Juneau, Juneau Engineering
Edie Koch, Illinois Dept. of Commerce and Economic Opportunity
Kevin Koenigstein, Monroe County Treasurer
Linda Lehr, Monroe County
Terry Leifer, Monroe County Commissioner
Jay Martin, AMEC Earth & Environmental
Dick Murray, Morgan Keegan

Jack Norman, American Bottoms Conservancy
Todd Oetting, Afton Chemical
Jon Omvig, AMEC
Joe Parente, Madison County
David Sawitzki, AMEC Earth & Environmental
Bob Shipley, Metro-East Sanitary District
Dale Stewart, SW Illinois Building and Construction Trades
Mary Swiderski, AMEC Earth & Environmental
Kevin Thompson, Morgan Keegan
Dan Turner, Volkert Assoc.
Chuck Unger, The Bank of Edwardsville
David Walster, Prairie DuPont Drainage and Sanitary District

Call to order

President Dan Maher called the meeting to order.

Approval of minutes of February 16, 2011

A motion was made by Jim Pennekamp, seconded by David Baxmeyer, to approve the minutes of the January 19, 2011 meeting. The motion was approved, all members voting aye.

Program Status Report and Budget Update

Mr. Maher asked Mr. Sterman to provide a status report for the project.

Design/Construction

The first set of “progress drawings” for the 30% design milestone was submitted on schedule by AMEC on March 1. This is the first design submittal for review and you will be hearing a lot more about this later today. This marked the beginning of a focused two month period to complete the preliminary design, cost estimate, and schedule. As I have indicated before, this is a critical landmark for the project, since it will be the first time that we can express with a degree of confidence the basic design elements of the project, its cost, and how long it will take to get done. Our goal all along has been to complete the project (achieve FEMA certification and accreditation) with the money that can be raised through the sales tax or other existing sources and to get the job done in five years. That certainly remains my goal and it is apparent that it will get a little tougher to achieve from this point.

The process to get through the next couple of months will consist of a number of steps I outlined in your memo. Some of those steps have been accomplished already.

1. A series of overview meetings with partners/stakeholders to review and refine the design. Meetings have already been held with the Corps of Engineers on March 11, and the area levee districts on March 11. So far everyone has been very cooperative and supportive. A full workshop with the Council’s Board is will be held later today.
2. Overview meetings will be followed up with detailed review sessions for each levee district with both the Corps and the staff of each district. A number of those meetings are already scheduled for the week of March 14.

3. A series of reviews by our project management oversight consultant. Those reviews will include a value engineering appraisal by a peer team, a review of cost-estimates and a constructability review. Those activities will likely take place on or about the week of March 27.
4. Preparation of cost estimates will be done by AMEC following the refinement of the progress design resulting from the above activities. As we will describe later, the project is getting more complicated and costs will tend to increase. I have pressed AMEC to continue to look for cost savings on the project.
5. Re-engage our financial planning consultants to refine the financing model and develop a financing plan based on current market conditions and our project schedule to determine our financial capacity to build a project in accordance with the preliminary design.
6. Bring together the design, cost estimate and financial plan to develop a draft project schedule and construction sequence.

You will hear a lot more about the design in the workshop following this meeting, but I wanted to give you my first impressions from a review of the initial design documents.

1. As all of the extensive data collected over the last two years have been analyzed and turned over to project designers, the job has become more complex and potentially more costly. While there was some headroom between our financial capacity and earlier cost estimates, that margin may shrink significantly or disappear. (AMEC's conceptual cost estimate was \$146.5 million and our financial capacity has been modeled at between \$160 and \$170 million).
2. At the outset of planning three years ago, it was believed that certification of the Wood River levee system could be achieved in several months at a relatively small cost and in a limited time, but that is not even close to being the case. This portion of the project will be costly and complex.
3. Some of the conditions that could lead to increased costs are:
 - a. In some areas new borings disclosed that bedrock is significantly deeper than expected. This is critical in locations where cutoff walls are being considered to control underseepage. Cutoff walls are by far the most costly element of the project, so any change in the design parameters of this feature could have a significant effect on the cost of the project.
 - b. There is more of a potential problem with through-seepage in some of the levees than anticipated. None of the earlier borings done by the Corps were done through the crown of the levees to gauge the permeability of the soil in the embankment. The supplemental borings done as part of the project in the last several months disclosed several areas where the levees will need to be reinforced with a clay layer to control through-seepage.
 - c. Topographic features adjacent to the levees such as drainage ditches and borrow pits that have been permitted over the years potentially increase the potential for underseepage.

4. Even at this stage of the design, there remains some uncertainty, which must be reflected in a contingency in the cost estimate. We will need to maintain a significant contingency as the project moves along.
5. There are still opportunities to reduce the cost of the project. I have asked AMEC to look for every opportunity to bring costs down, and it appears that there may be some ability to do that, although those opportunities are narrowing. The bottom line is that our goal remains to get the project done in five years or less for the money that we have. Achieving that goal will continue to get tougher, but I'm confident that we will succeed.
6. The schedule and cost impacts of permitting and approvals by regulatory agencies continue to be a concern. Managing the regulatory process will be a key to achieving the project goals.
7. A linchpin in the plan to achieve certification of the area levee system is the commitment of the Corps of Engineers to seek certification from FEMA for the Chain of Rocks levee and for the interim measures taken in the vicinity of the Mel Price Lock and Dam in Alton. We need the Corps to produce the certification documents for these two sections. It would be unfair to ask our consultants to certify these levee segments since we haven't paid them to do it and they would have liability concerns. We do not yet have that commitment from the Corps.

Conoco Phillips has now agreed to perform the necessary subsurface borings at their site in the Cahokia in lieu of providing site access to our consultants and subcontractors. While this will suffice for now, we need to have a more effective arrangement in the future, since the preliminary design anticipates seepage berms and relief wells on their site.

The Corps of Engineers provided a preliminary report to the MESD staff on the results of their periodic inspection. There were a number of items that were determined to be unacceptable. Following a meeting and field inspection by the District staff with the Corps of Engineers, each of these items was effectively addressed and a formal response issued by the District to the Corps. We anticipate that this response will be sufficient for MESD to maintain its status within the PL 84-99 program for federal emergency response and repair of flood control facilities.

Financing

As noted above, we will need to produce a financial plan to effectively determine project schedule. I hope to have that done as part of the April 30 submittal.

Legislation

Following the adoption of an extensive list of legislative proposals by the Council at the February Board meeting, the Leadership Council arranged a meeting with the local representatives of the area's legislative delegation. They were very supportive and made a number of helpful suggestions. Following that meeting I developed a smaller list of proposals that would be a better indication of our priorities. I have forwarded the list to the members of the delegation; a copy is attached.

Congressmen Costello and Shimkus along with a number of cosponsors in the House introduced H.R. 898, which contains the same provisions of H.R. 3415 introduced in the last Congress. This bill is one that we strongly support, since it imposes a moratorium on the issuance of new flood insurance maps as long as there are ongoing credible efforts to improve flood protection and meet certain other conditions to improve the safety of levee systems while they are being improved.

You have read in the last week that FEMA responded to a request made by a large number of Senate and House members (including all of our delegation) to change the way that risk is determined for areas behind de-accredited levees. The current procedure is for flood insurance rate maps to show the entire 100-year floodplain as a special flood hazard area as if no flood protection exists, commonly known as the “without levees” scenario. Obviously, this procedure defies common sense, especially in an area like ours where the existing levee system has never failed, even under the duress of a high water event significantly greater than the one that is the basis for accreditation.

The good news about the FEMA announcement is that it will further delay the issuance of any letter of determination and subsequent issuance of new flood insurance rate maps. According to FEMA statements, this action will cause a delay of a “few months,” although experience suggests that FEMA’s deadlines typically aren’t achieved. Any delay is helpful to property owners so they may continue to purchase inexpensive flood insurance should they choose and not be subject to a mandatory requirement to do so.

What is less certain is whether there will be any material effect on the flood insurance maps themselves. Despite some statements that this action could shrink the 100-year floodplain and affect a smaller number of property owners, there is no indication in the FEMA announcement that this possibility exists. The law only recognizes the 100-year floodplain, not any lesser level of protection, so the flood hazard area itself would likely not change. Moreover, if new maps were to be developed and issued, the delay would be far greater than a “few months.” New preliminary maps would need to be issued, and the appeal process would need to be reopened. If this were to be done, the delay would be measured in years, not months.

Mr. Pennekamp noted that the expectation locally is that this action will require new floodplain maps. He suggested that we seek clarification from our federal elected officials, who are our allies, about the meaning of this action. Mr. Sterman agreed to make that inquiry.

Mr. Sterman indicated that his bigger concern right now is the continuing uncertainty in the development community, which is largely influenced by statements from the Corps and FEMA. The insurers that they must depend on come to their own conclusions that don’t necessarily rely on any FEMA maps.

Legal

FEMA submitted a motion to dismiss our lawsuit against the agency, primarily on the grounds that we have not yet exhausted all of the administrative steps prior to the issuance of new flood insurance rate maps, a milestone that would be indicated, in their view, by FEMA’s issuance of a final letter of determination. They also argued that the agency was protected from our

constitutional claims by sovereign immunity. Our attorneys developed a full response to FEMA's motion that was submitted to the court on February 23rd.

On February 22nd, our attorneys finally received the administrative record that would allegedly support the decisions to deny the various appeals of the preliminary maps. A review of those documents failed to produce any analysis, data or studies to support the levee de-accreditation decision that is the basis for the enlargement of the special flood hazard area on the preliminary maps. This finding lends further weight to the claims that we have made in our lawsuit.

Project Administration

The East-West Gateway Council of Governments has acted as our fiscal agent since the inception of our organization in July, 2009. Given the limited financial transactions over that period of time, this was a very cost-effective arrangement. We used the EWG staff to monthly and annual financial statements, conduct procurement activities, issue and pay our bills, conduct our banking and most recently, to request reimbursement from the bond trustee for the organization's expenses.

As long as the demands were not large, the EWG staff had the capacity to meet our needs while performing their other responsibilities. That situation has now changed. Our activities have ramped up considerably in recent months and the demands on the fiscal agent have increased accordingly. As we embark on construction, those demands will increase far more. Even now, we take far longer than I would like to review and pay incoming invoices and meet our commitments under our contracts. It has become clear that we need to find a more effective way to provide independent fiscal agency services to the Council. I am suggesting, therefore, that over the next few months we seek an individual or firm to act as our fiscal agent through a competitive procurement.

Mr. Sterman described his efforts to identify the insurance needs of the Council.

Mr. Pennekamp, and Mr. Long agreed, that the members of the county flood prevention districts are indemnified by the counties, since the members are county appointments.

Two management letters provided by our auditors were distributed to the Board.

Motion made by Mr. Pennekamp, second by Mr. Motil to accept the monthly progress report.

The motion was approved by voice vote, all members voting aye.

Mr. Maher asked Mr. Sterman to provide a budget update.

Accrued expenditures for the current fiscal year are \$10,132,531. Expenditures for design and construction have been accelerating with the intensive efforts on pre-construction testing and preparation of preliminary design documents. About a third of total expenditures were reimbursement of advance funding from St. Clair and Madison County. Only Monroe County has not yet been reimbursed.

We now have a second full year of sales tax receipts. In 2010, sales tax collections totaled a little over \$11 million or about 6.7% higher than in 2009. December's receipts were about 3.8% higher than in 2009, so the positive trend in receipts has not been quite as strong as in the earlier months of the year. Nevertheless, there seems to be a nice recovery in retail sales from levels seen at the depths of the recent recession.

Total disbursements for February 2011 were almost \$2 million, much of that to AMEC for design costs, as well as some lingering costs for bond issuance.

Motion made by Mr. Baxmeyer, second by Mr. Parks to approve the disbursements for February, 2011. The Secretary called the roll and the following votes were made on the motion:

Mr. Baxmeyer - Aye
Mr. Bergkoetter – Aye
Mr. Brinkman – Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Motil – Aye
Mr. Parks - Aye
Mr. Maher – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously with nine members voting aye.

Amendment to Financial Advisor Contract

As I mentioned in my progress report earlier, the next two months will involve a focused process of bringing together the project design, cost estimate, financial plan and schedule. In doing so, we will need an updated financial forecast and plan based on current market conditions, the financial capacity of the various partners in the project, and the project schedule. To accomplish this work, I believe that we need to amend our existing contract to include about two months of consulting from our financial advisor to provide the necessary data and analysis to support the implementation of the preliminary design. This is not just a simple calculation to determine how much we can raise in our next bond issue. We want to look at the fiscal capacity of the levee districts to raise money, the impact of changing market conditions on upcoming bond issues, etc. We need a good reading on our financial capacity that will become a part of our plan that will emerge in the next couple of months.

There have been some staffing changes at the subject firms that will affect the provision of services to us. Kevin Hoecker, the assigned staff at Scott-Balice Strategies has left the firm. No other staff person at the firm was involved with this engagement or familiar with the assignment. Roy Torkelson from ButcherMark has been the manager at ButcherMark, and several other staff members have been involved in the financial modeling and planning work. Given the short-term nature of this assignment it is impractical to divide the work between the firms, so I am suggesting that for this amendment only, we will engage ButcherMark to provide the necessary professional services. This does not affect the arrangement in place for future bond issues.

I am recommending that we enter into contract with ButcherMark Financial Advisors for three months at a cost not to exceed \$20,000 plus expenses (probably two or three trips to St. Louis).

Mr. Maher asked for a motion to approve the contract with ButcherMark.

Motion made by Mr. Long, second by Mr. Pennekamp to approve an agreement with ButcherMark Financial Advisors to prepare an updated financial plan at a cost not to exceed \$20,000 plus reasonable expenses and to be completed in three months.

The Secretary called the roll and the following votes were made on the motion:

Mr. Baxmeyer - Aye
Mr. Bergkoetter – Aye
Mr. Brinkman – Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Motil – Aye
Mr. Parks - Aye
Mr. Maher – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously with nine members voting aye.

Adjournment

Mr. Maher noted that there would be a follow-up session to discuss the design for those who would like to stay. There being no other business, a motion by was made by Mr. Pennekamp, seconded by Mr. Parks to adjourn the meeting. Motion approved by voice vote, all voting aye.

Respectfully submitted,

James Pennekamp,
Secretary/Treasurer, Board of Directors

MINUTES

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL BOARD OF DIRECTORS DESIGN WORKSHOP March 16, 2011

The Board of Directors held a design workshop to review the first progress design document submittal. The meeting was held at the Metro-East Park and Recreation District Office, 104 United Drive, Collinsville, Illinois at 8:30 a.m. on Wednesday, March 16, 2011.

Members in Attendance

Dan Maher, President (Chair, St. Clair County Flood Prevention District)
John Conrad, Vice-President (Chair, Monroe County Flood Prevention District)
James Pennekamp, Secretary/Treasurer (Chair, Madison County Flood Prevention District)
David Baxmeyer, Monroe County Flood Prevention District
Paul Bergkoetter, St. Clair County Flood Prevention District
Bruce Brinkman, Monroe County Flood Prevention District
Tom Long, Madison County Flood Prevention District
Ron Motil, Madison County Flood Prevention District
Alvin Parks, Jr., St. Clair County Flood Prevention District

Members Absent

none

Others in Attendance

Mark Kern, St. Clair County Board Chair
Alan Dunstan, Madison County Board Chair
Delbert Wittenauer, Monroe County Board Chair
Les Sterman, SW Illinois FPD Council
Kathy Andria, American Bottoms Conservancy
Ron Auld, Volkert Assoc.
Douglas Campion, Campion Group
Darryl Elbe, Hoelscher Engineering
Melissa Erker, ConocoPhillips
Mike Feldmann, U.S. Army Corps of Engineers
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Maggie Hales, East-West Gateway Council of Governments
Mark Harms, SCI Engineering
Pam Hobbs, Geotechnology
Mike Huber, KdG
Charles Juneau, Juneau Engineering
Edie Koch, Illinois Dept. of Commerce and Economic Opportunity
Kevin Koenigstein, Monroe County Treasurer

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Bob Shipley, Metro-East Sanitary District
Larry Seiple, AMEC Earth & Environmental
Dale Stewart, SW Illinois Building and Construction Trades
Mary Swiderski, AMEC Earth & Environmental
Kevin Thompson, Morgan Keegan
Dan Turner, Volkert Assoc.
Chuck Unger, The Bank of Edwardsville
David Walster, Prairie DuPont Drainage and Sanitary District

Call to order

President Dan Maher called the meeting to order and noted the presence of all members of the Board of Directors.

Presentation of Preliminary Design Proposal

Mr. Sterman described the purpose of the session and thanked the Board members for their patience in taking the considerable time necessary for the detailed review of the design. He said that no action would be requested from the Board. This session is purely informational and is part of the process of building understanding by the Council of the design issues of this large and important project.

He introduced the members of the AMEC design staff who would be walking the Board through the design documents. Jay Martin is the project manager for AMEC, Jon Omvig is a co-project manager, Dave Sawitzki is responsible for MESD, Mario Glorioso for Prairie DuPont/Fish Lake, and Larry Seiple will present the Wood River design.

Jay Martin stressed that the design documents that were being presented today are preliminary for discussion purposes and some of the design concepts will likely change as we move through the design process.

Mr. Martin proceeded to show slides illustrating the basic design features that will be shown during the presentation of each levee district.

AMEC staff then stepped through the specific design proposals for each levee district.

Board members and audience members engaged the AMEC staff in discussions about the design proposal.

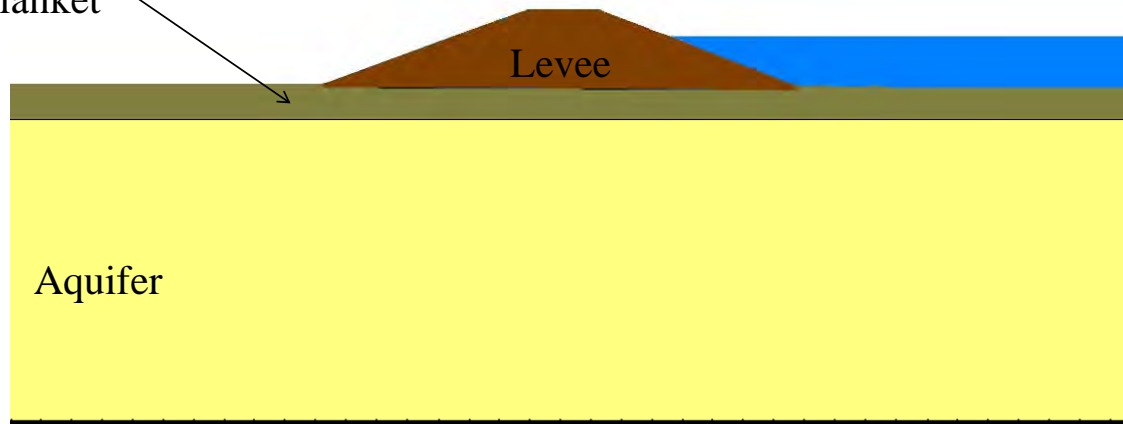
Adjournment

There being no other business, a motion at 10:30 am by was made by Mr. Pennekamp, seconded by Mr. Parks to adjourn the meeting. Motion approved by voice vote, all voting aye.

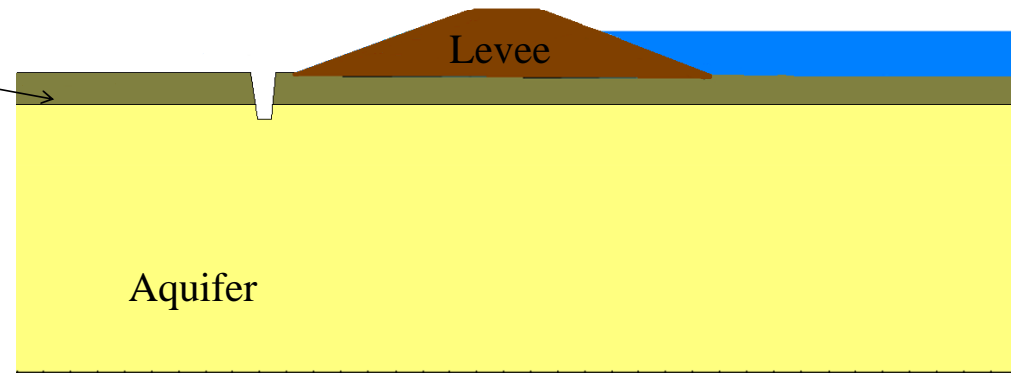
Respectfully submitted,

James Pennekamp,
Secretary/Treasurer, Board of Directors

Semi-pervious
Blanket



Semi-pervious
Blanket



Scale: None
Drawn by: MG
Date: March 16, 2011
AMEC File No. 5-6317-0001

LEVEE ILLUSTRATION

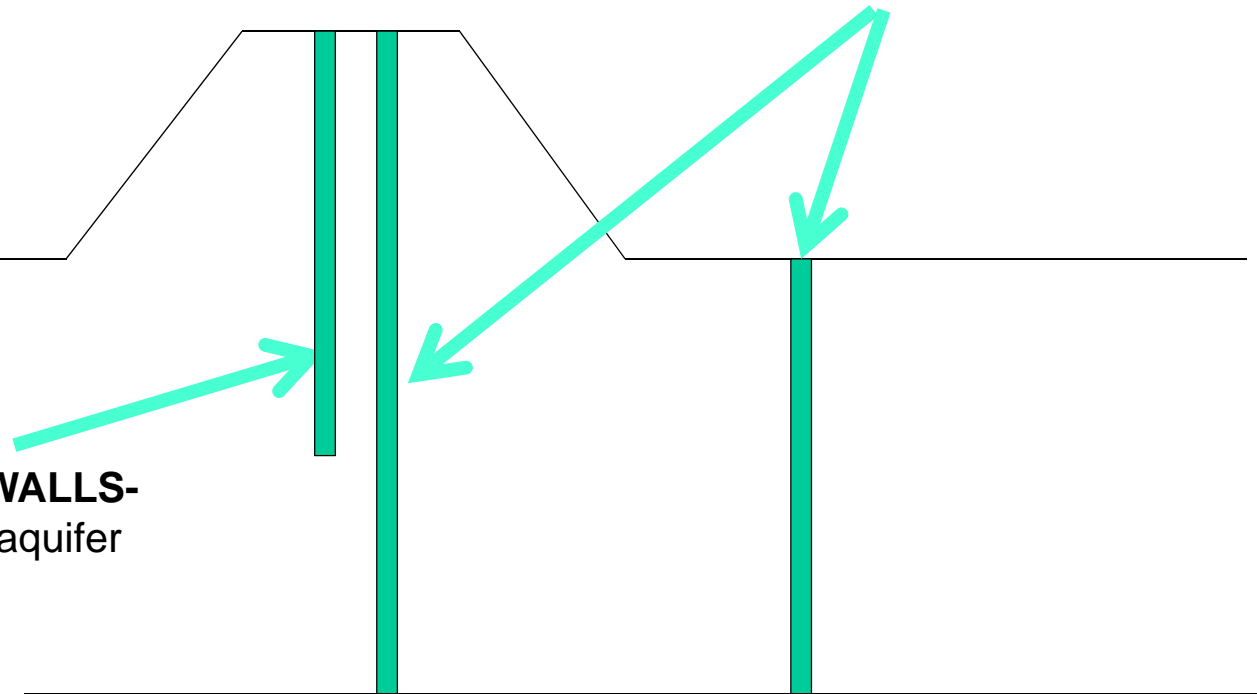


CUTOFF WALLS- Narrow slots filled with slurry.

DEEP CUTOFF WALLS-
Penetrate through the aquifer to bedrock

SHALLOW CUTOFF WALLS-
Partially penetrate the aquifer

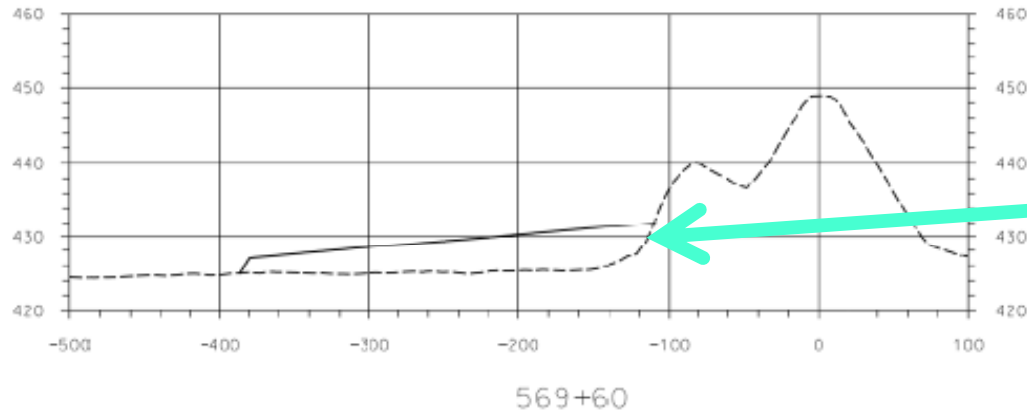
BEDROCK



Scale: None
Drawn by: LS
Date: March 16, 2011
AMEC File No. 5-6317-0001

**WOOD RIVER
PLANS AND CROSS SECTIONS**



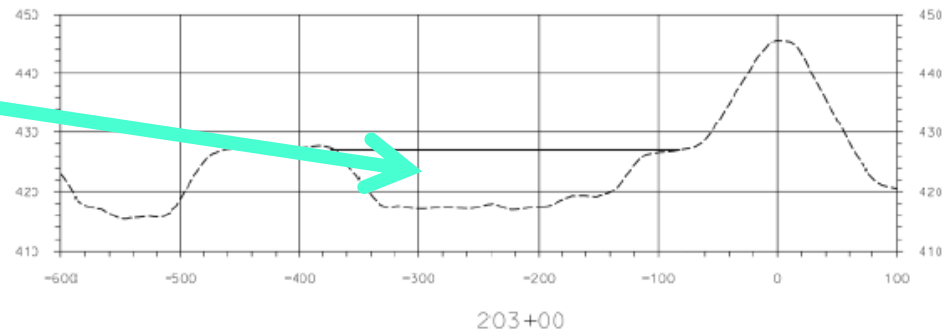


SEEPAGE BERM

Adds weight to landside surface.
 Abuts the levee.
 Slopes away from levee.

SOIL FILL IN LOW SPOTS

Raises land surface.
 Used to fill in ditches, borrow pits etc.
 May not abut the levee.



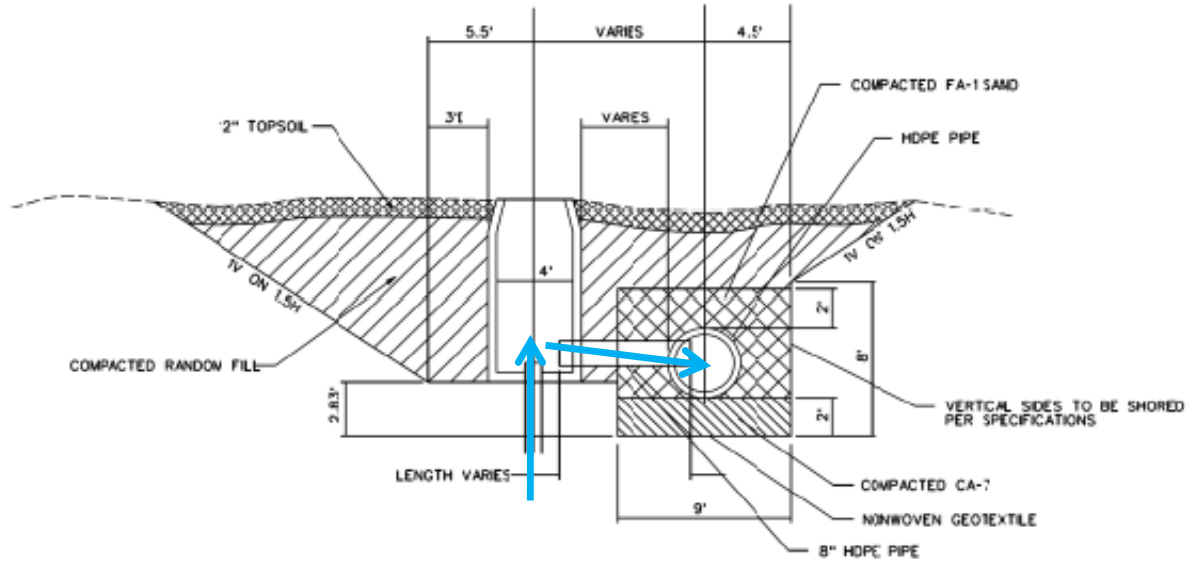
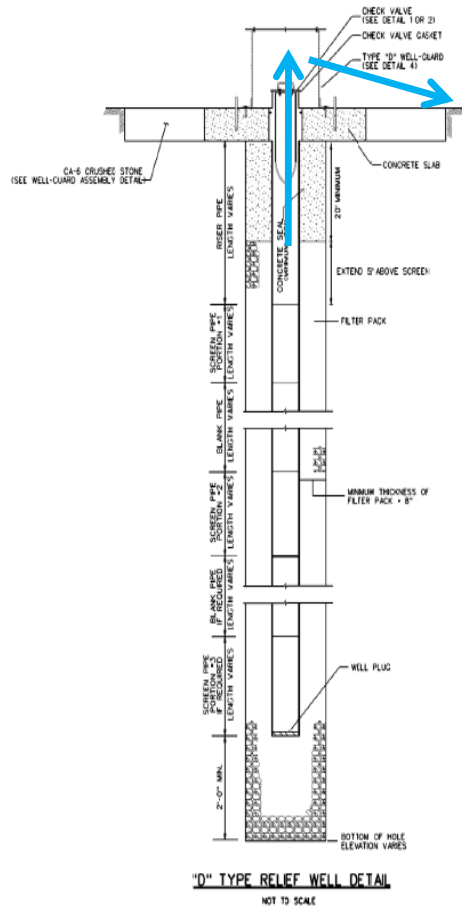
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 Date: March 16, 2011
 AMEC File No. 5-6317-0001

**WOOD RIVER
 PLANS AND CROSS SECTIONS**



D-TYPE RELIEF WELLS

Water flows directly from the relief well.



LATERAL "T" CONNECTION TO MANIFOLD DETAIL

NOT TO SCALE

T-TYPE RELIEF WELLS

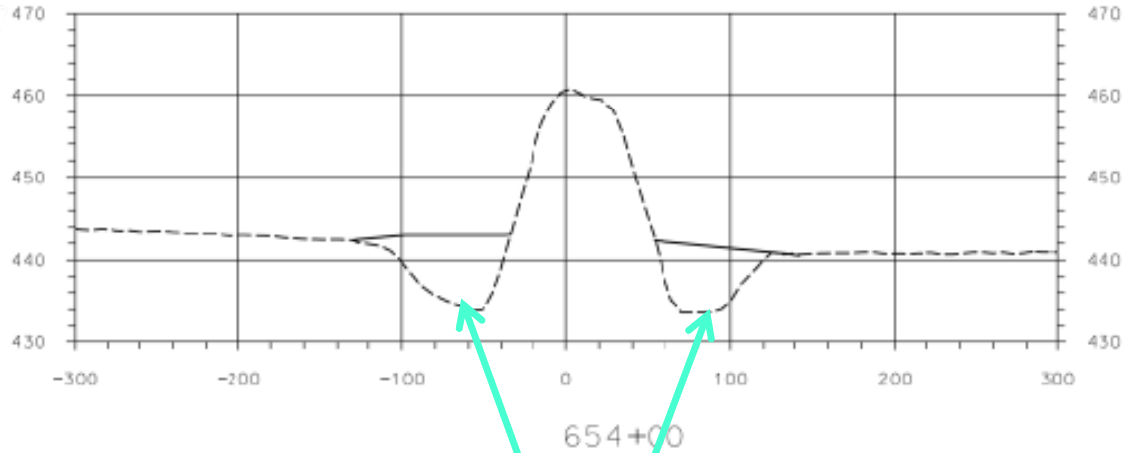
Water flows from the relief well to a collector pipe below ground.

Collector connects several relief wells

Scale: None
 Drawn by: LS
 Date: March 16, 2011
 AMEC File No. 5-6317-0001

WOOD RIVER
 PLANS AND CROSS SECTIONS



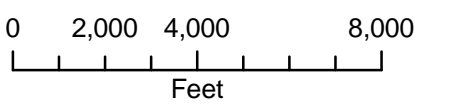
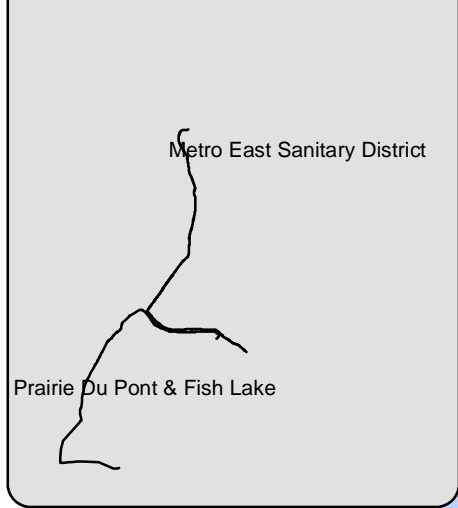
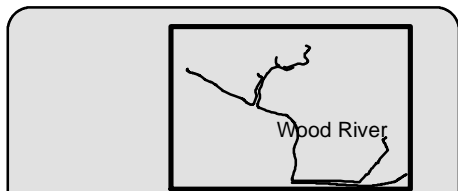
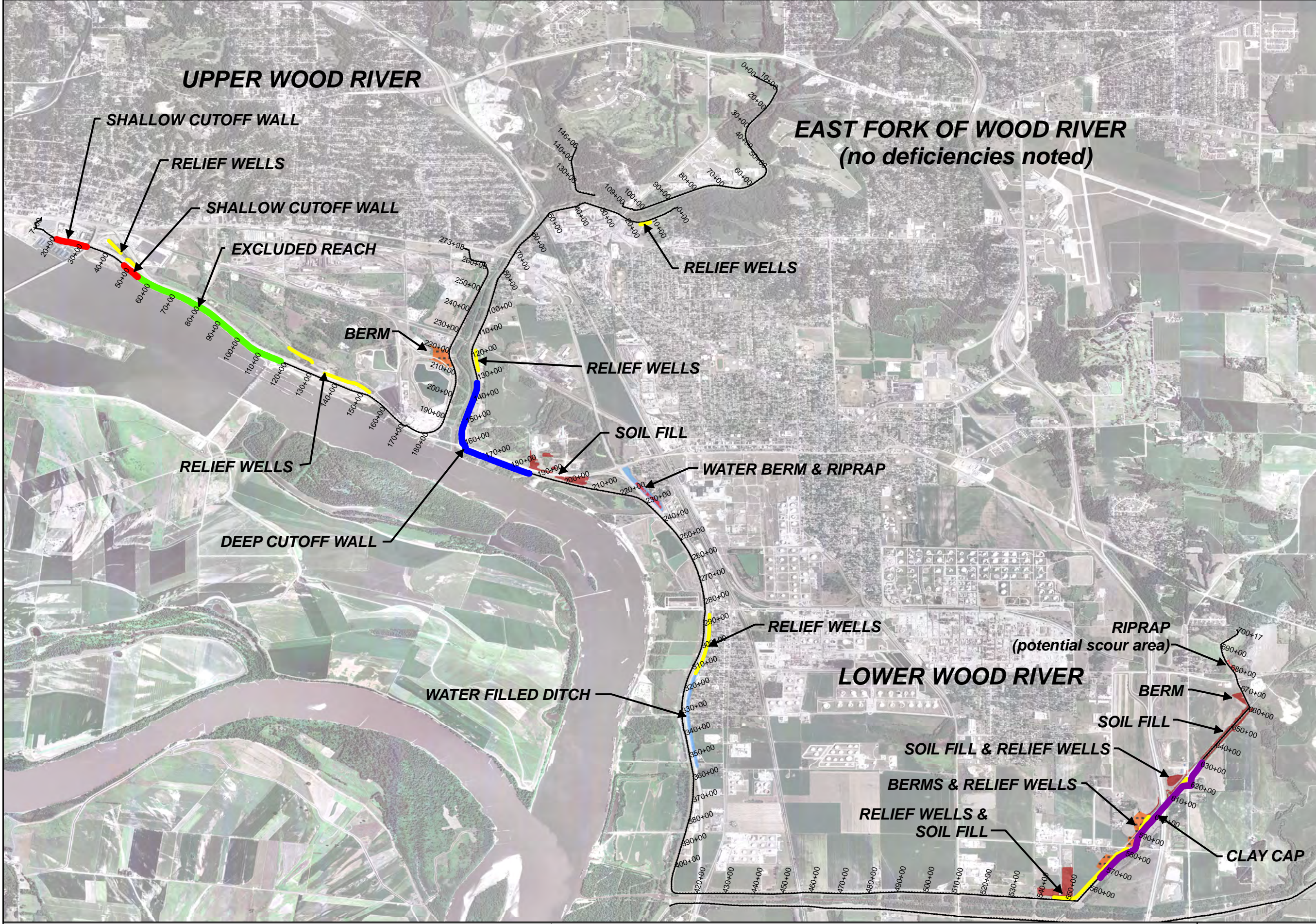


SOIL FILL IN DITCHES BESIDE RAILROAD
 Raises land surface above flood elevation.
 Avoids building a new levee (set-back levee)

Scale: None
 Drawn by: LS
 Date: March 16, 2011
 AMEC File No. 5-6317-0001

**WOOD RIVER
 PLANS AND CROSS SECTIONS**





Legend

- █ deep cutoff wall
- █ shallow cutoff wall
- █ riverside clay blanket
- █ new relief wells
- █ excluded reach
- levee centerline
- seepage berm
- soil fill
- riprap
- water berm

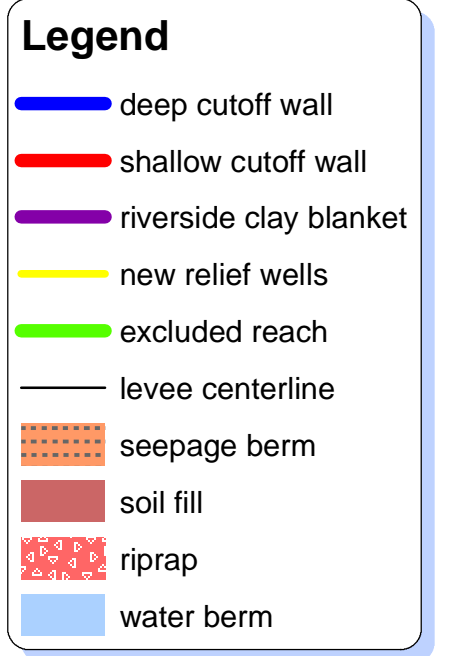
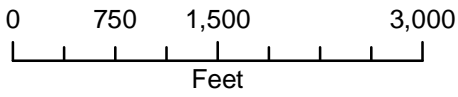
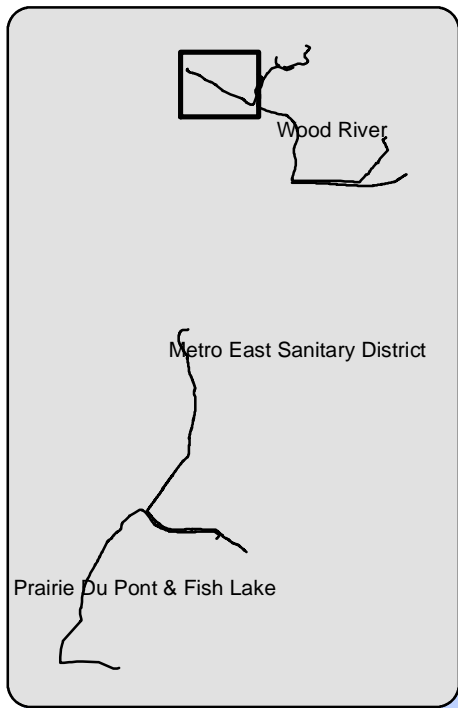
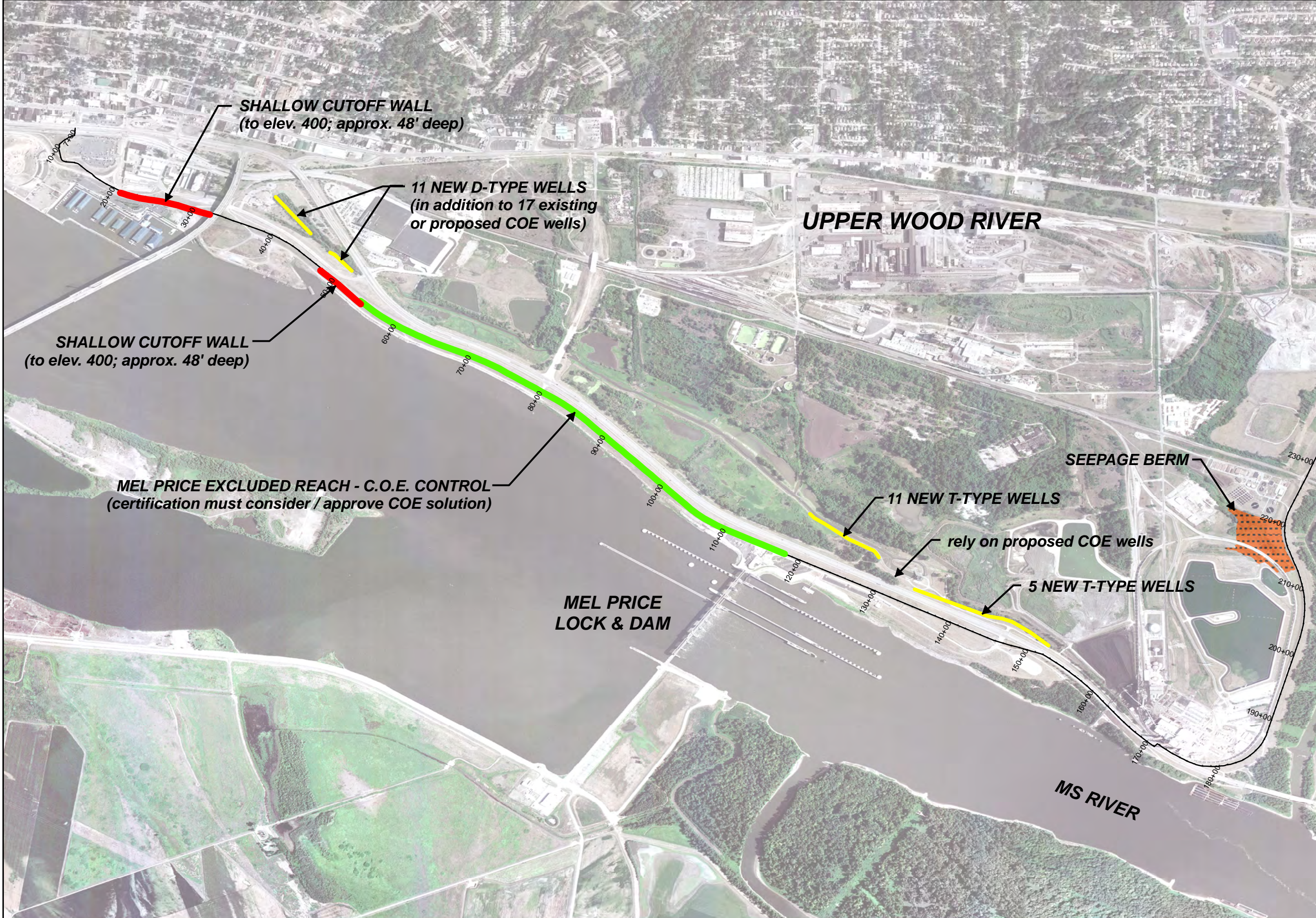


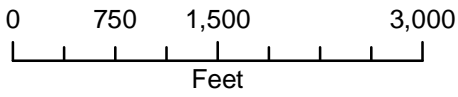
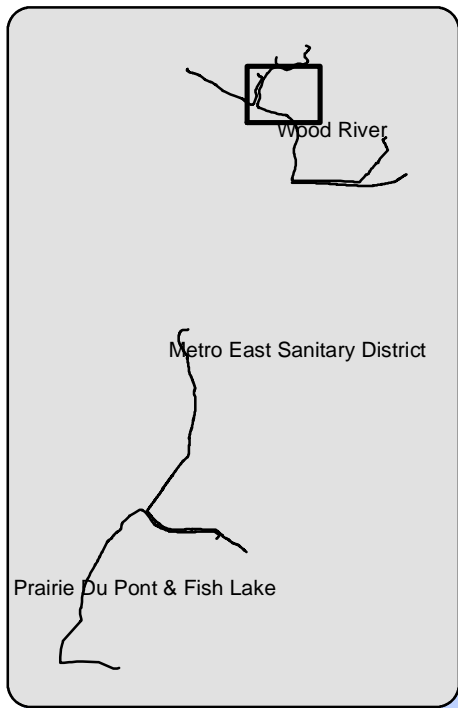
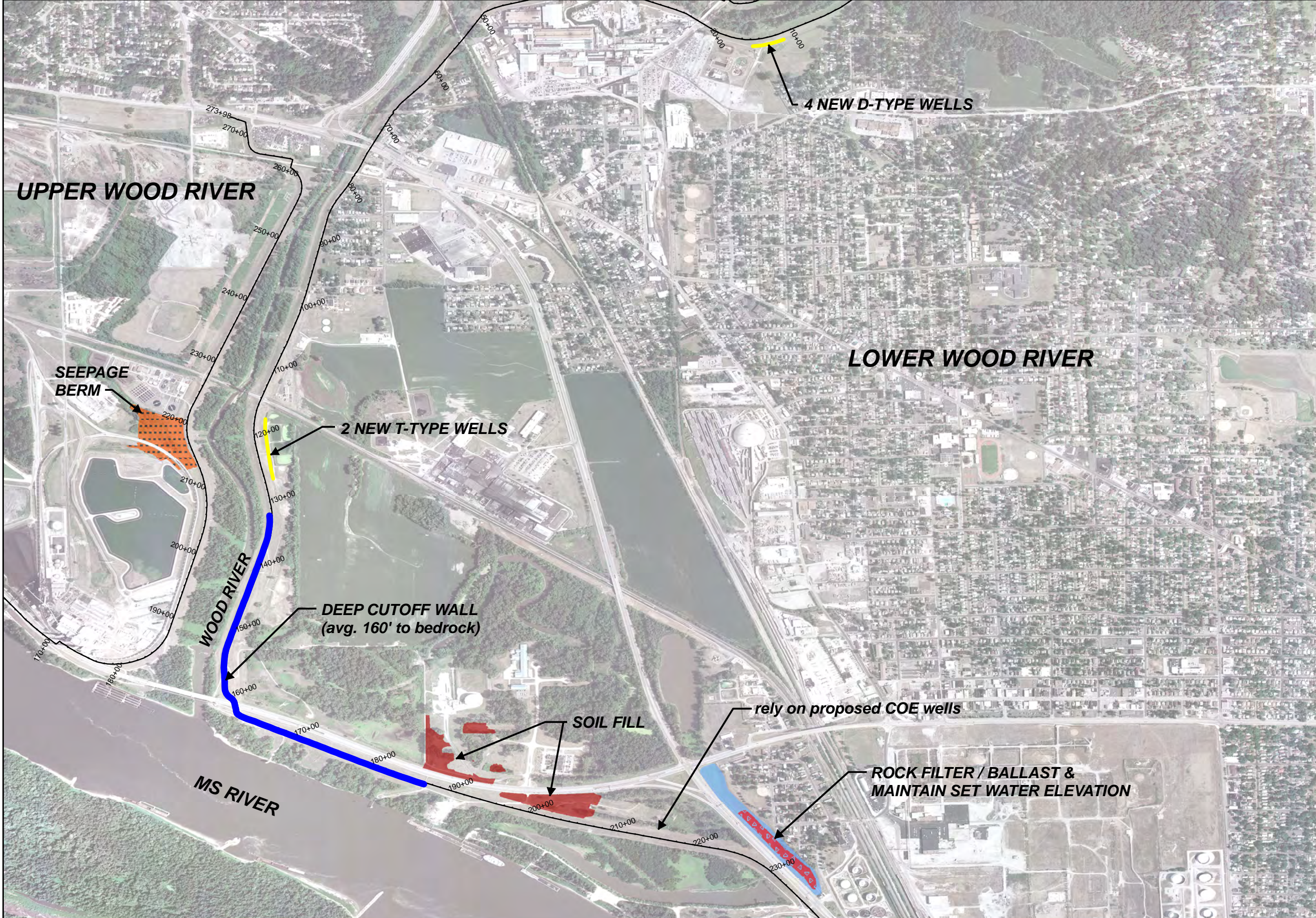
SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
 SOUTHWESTERN ILLINOIS FLOOD PREVENTION INITIATIVE

FEMA CERTIFICATION - PROGRESS SOLUTIONS
 WOOD RIVER DRAINAGE & LEVEE DISTRICT

DRAWN BY: MDP
 MARCH 17, 2011
 WR-1

amec
 3800 EZELL RD, SUITE 100
 NASHVILLE, TN 37211





Legend

- █ deep cutoff wall
- █ shallow cutoff wall
- █ riverside clay blanket
- █ new relief wells
- █ excluded reach
- levee centerline
- seepage berm
- soil fill
- riprap
- water berm

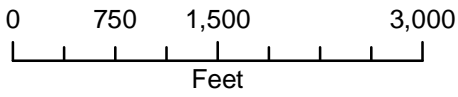
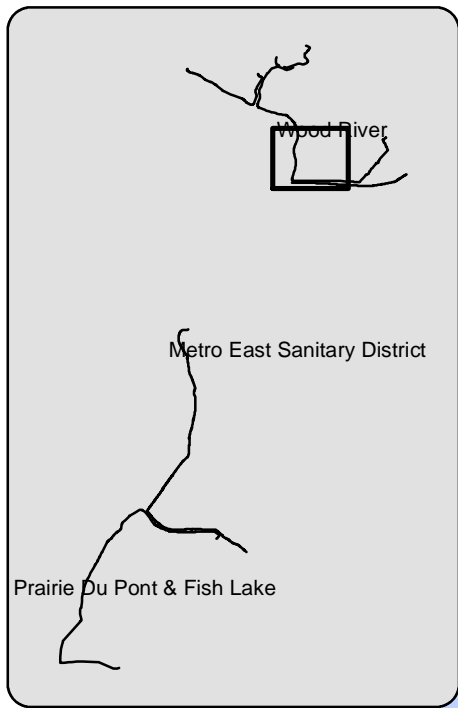


SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
 SOUTHWESTERN ILLINOIS FLOOD PREVENTION INITIATIVE

FEMA CERTIFICATION - PROGRESS SOLUTIONS
 WOOD RIVER DRAINAGE & LEVEE DISTRICT

DRAWN BY: MDP
 MARCH 17, 2011
 WR-3

amec
 3800 EZELL RD, SUITE 100
 NASHVILLE, TN 37211



Legend

- █ deep cutoff wall
- █ shallow cutoff wall
- █ riverside clay blanket
- █ new relief wells
- █ excluded reach
- levee centerline
- seepage berm
- soil fill
- riprap
- water berm

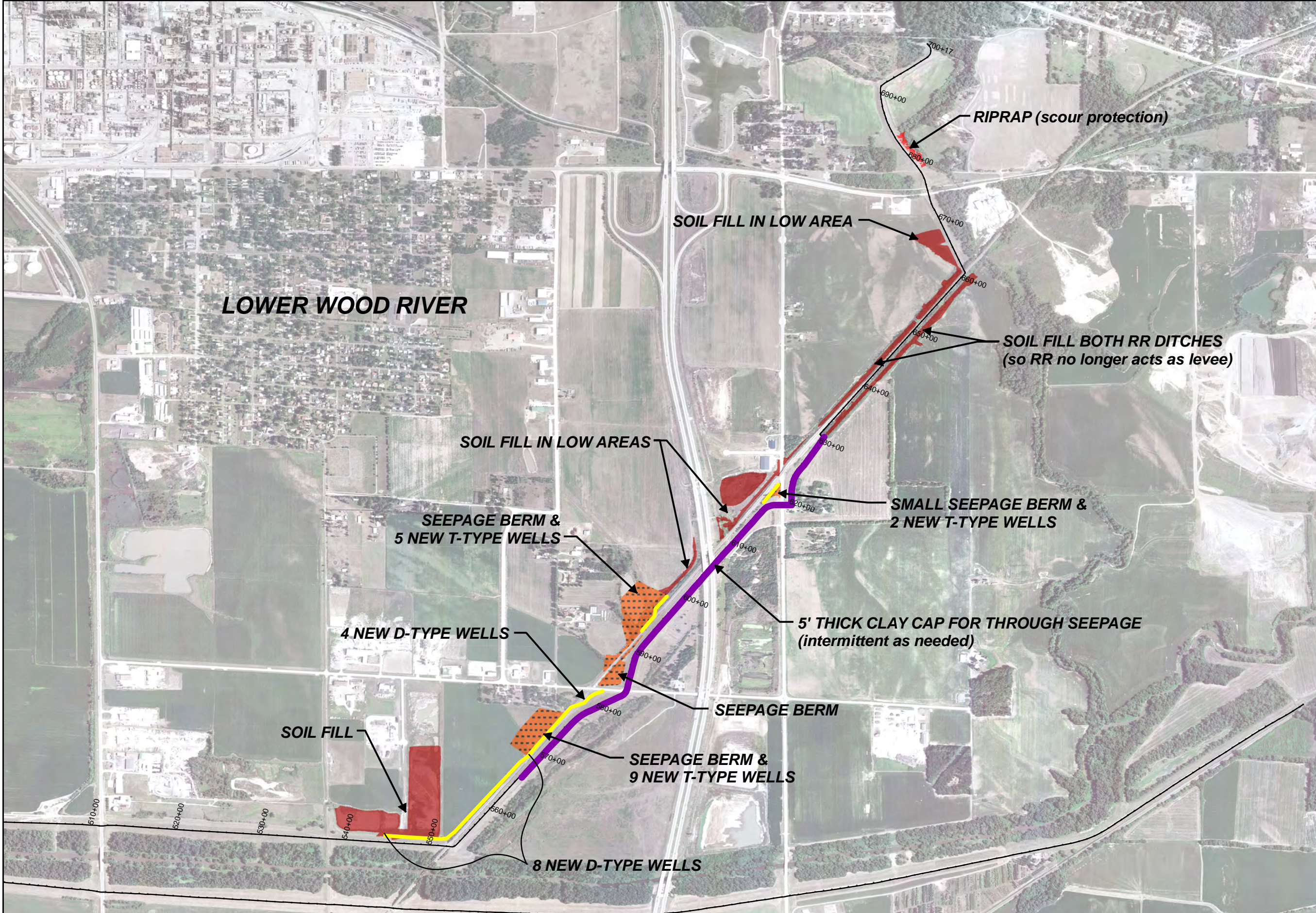


SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SOUTHWESTERN ILLINOIS FLOOD PREVENTION INITIATIVE

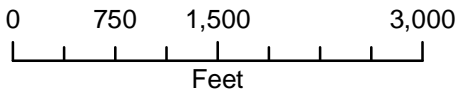
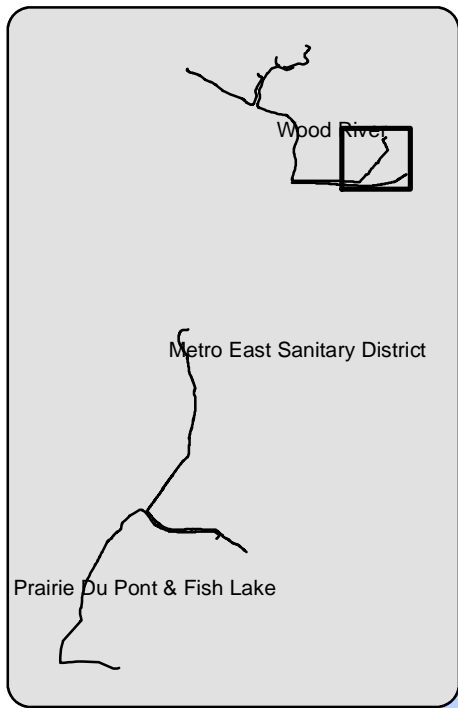
FEMA CERTIFICATION - PROGRESS SOLUTIONS
WOOD RIVER DRAINAGE & LEVEE DISTRICT

DRAWN BY: MDP
MARCH 17, 2011
WR-4

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LOWER WOOD RIVER



Legend

- deep cutoff wall
- shallow cutoff wall
- riverside clay blanket
- new relief wells
- excluded reach
- levee centerline
- seepage berm
- soil fill
- riprap
- water berm

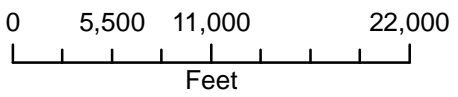
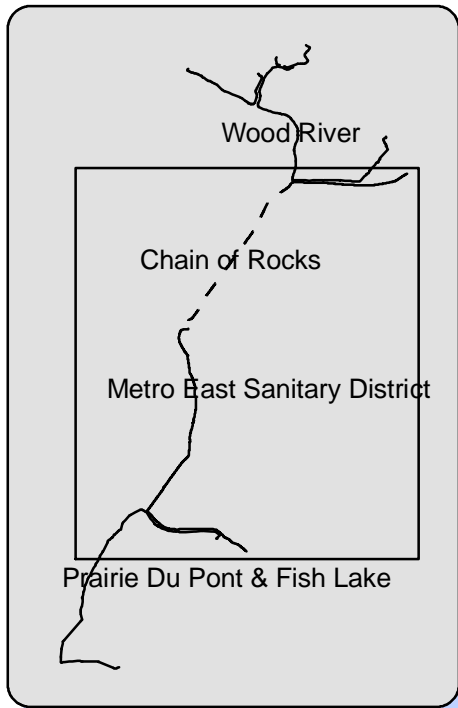
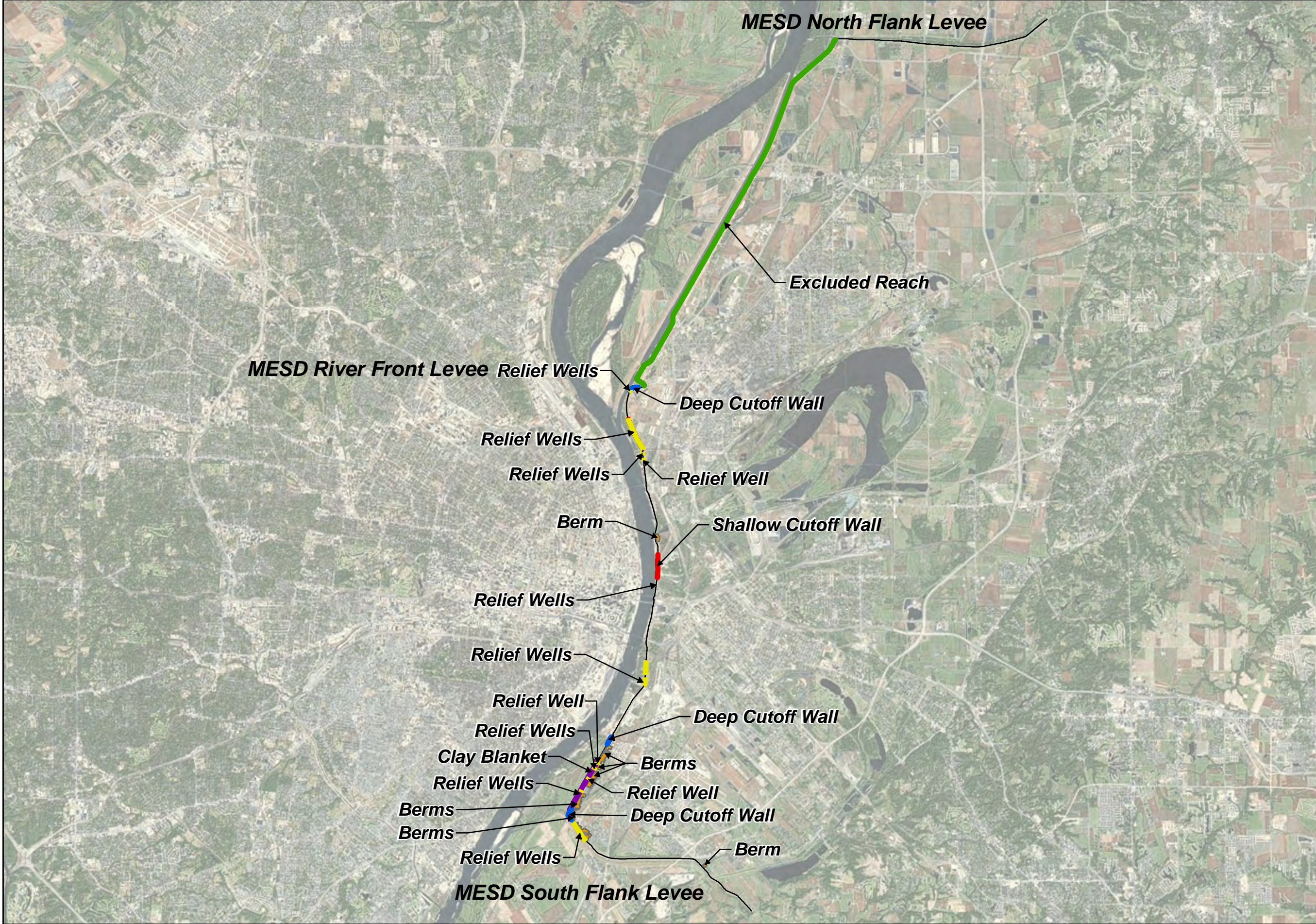


SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
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FEMA CERTIFICATION - PROGRESS SOLUTIONS
WOOD RIVER DRAINAGE & LEVEE DISTRICT

DRAWN BY: MDP
MARCH 17, 2011
WR-5

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Chain of Rocks Excluded Reach - C.O.E. Control
 (certification to be provided by C.O.E.)

Deep Cutoff Wall
 Beginning Station: 780+55 Ending Station: 790+67
 Total Length: 1012 ft
 Depth to Clay: 100 ft

9 New D-Type Wells

Granite City Pump Station

G.C.E.D. Pump Station No. 1

G.C.E.D. Pump Station No. 2

24 New T-Type Wells

G.C.E.D. Pump Station No. 3

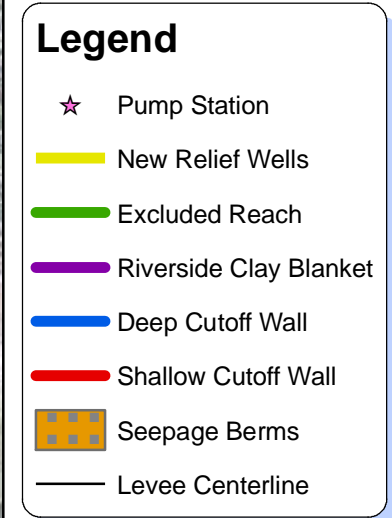
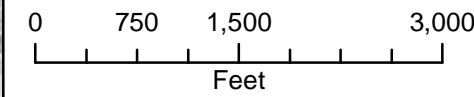
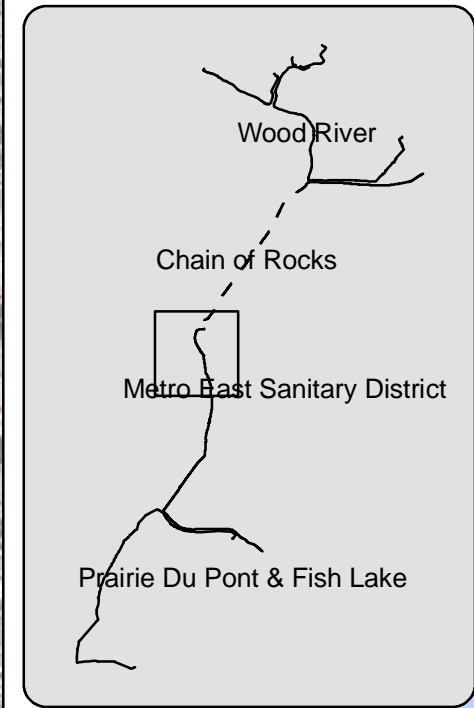
Madison Pump Station

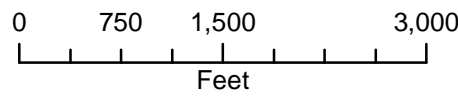
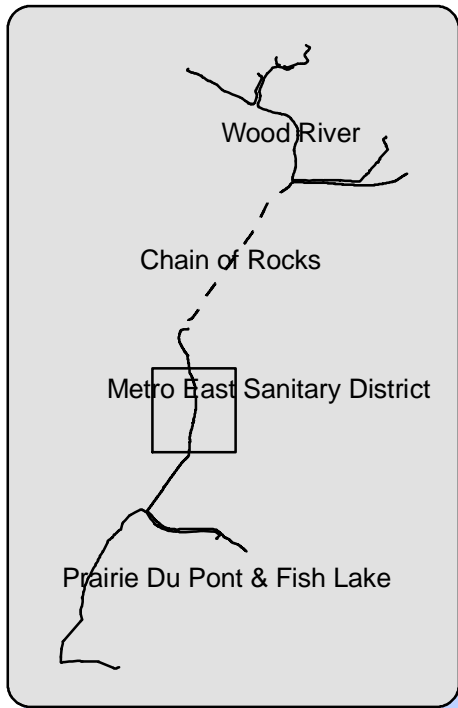
6 New D-Type Wells

1 New D-Type Well

Venice Pump Station

Old U.E. Power Plant P.S.

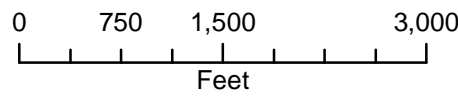
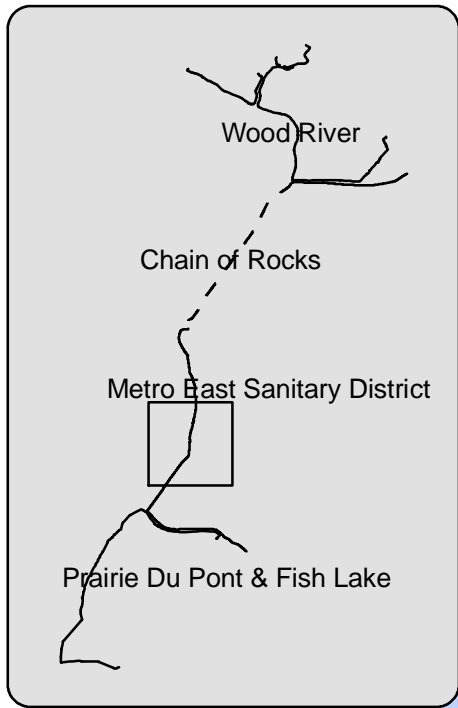
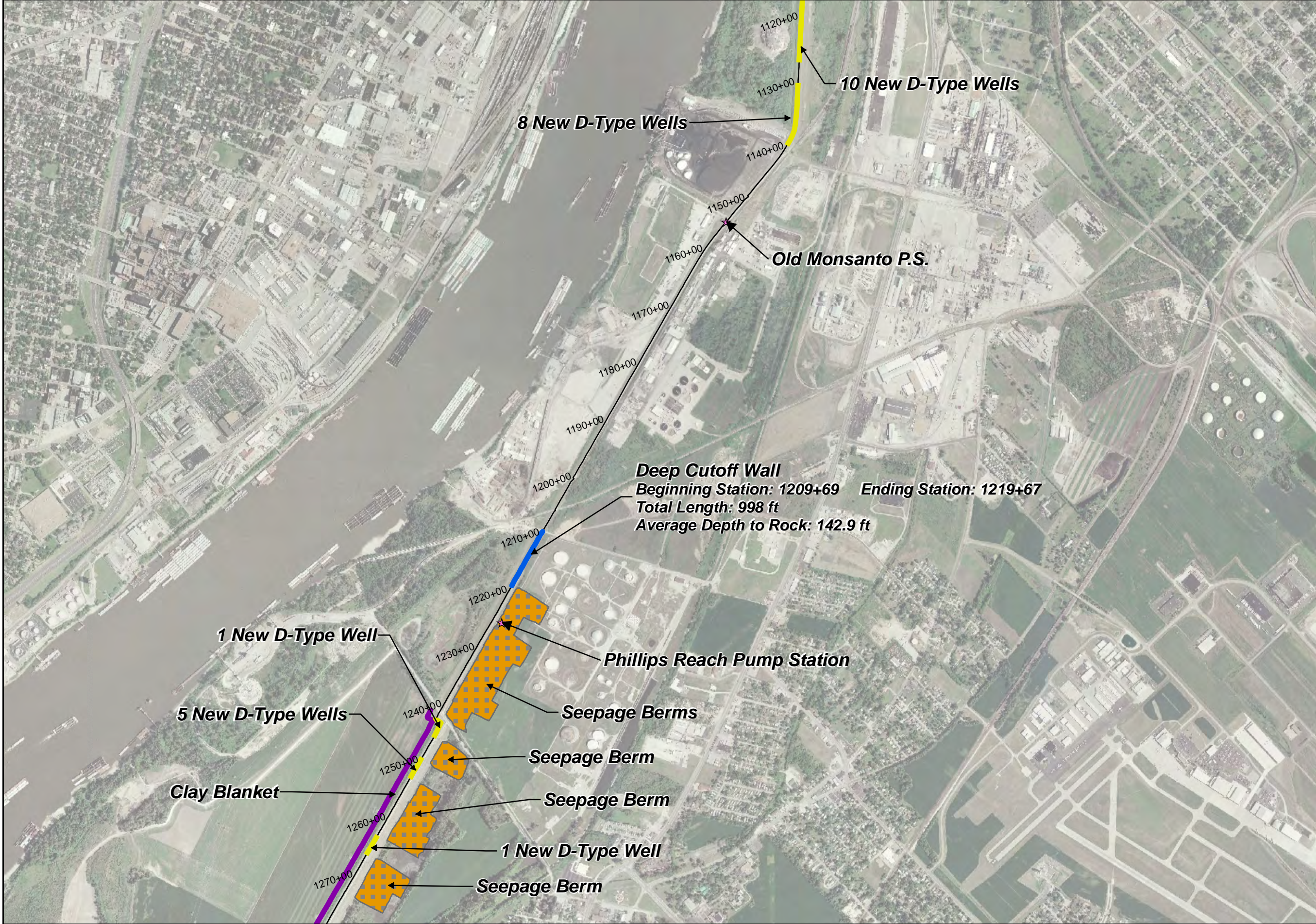




Legend

- ★ Pump Station
- New Relief Wells
- Excluded Reach
- Riverside Clay Blanket
- Deep Cutoff Wall
- Shallow Cutoff Wall
- Seepage Berms
- Levee Centerline

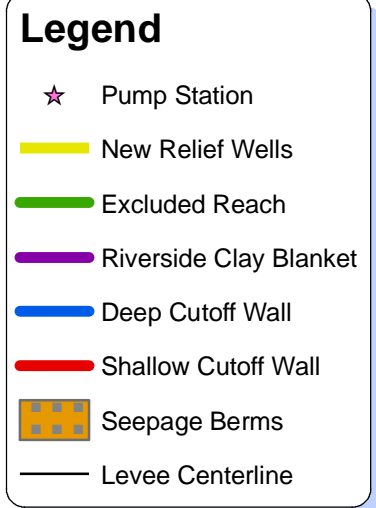
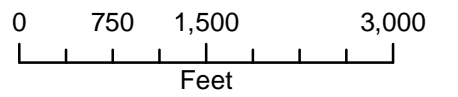
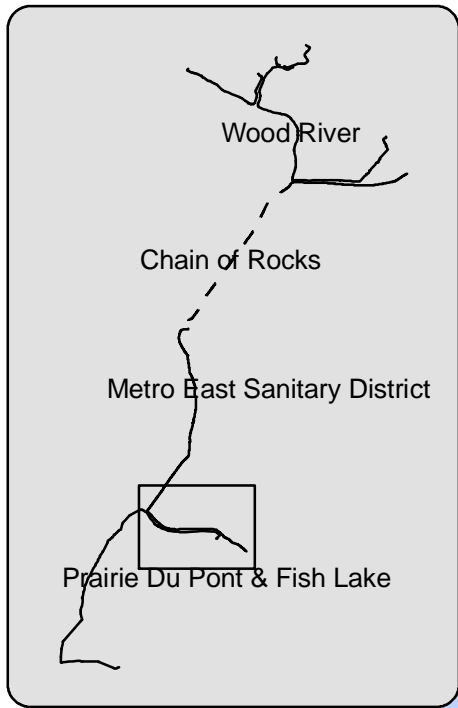
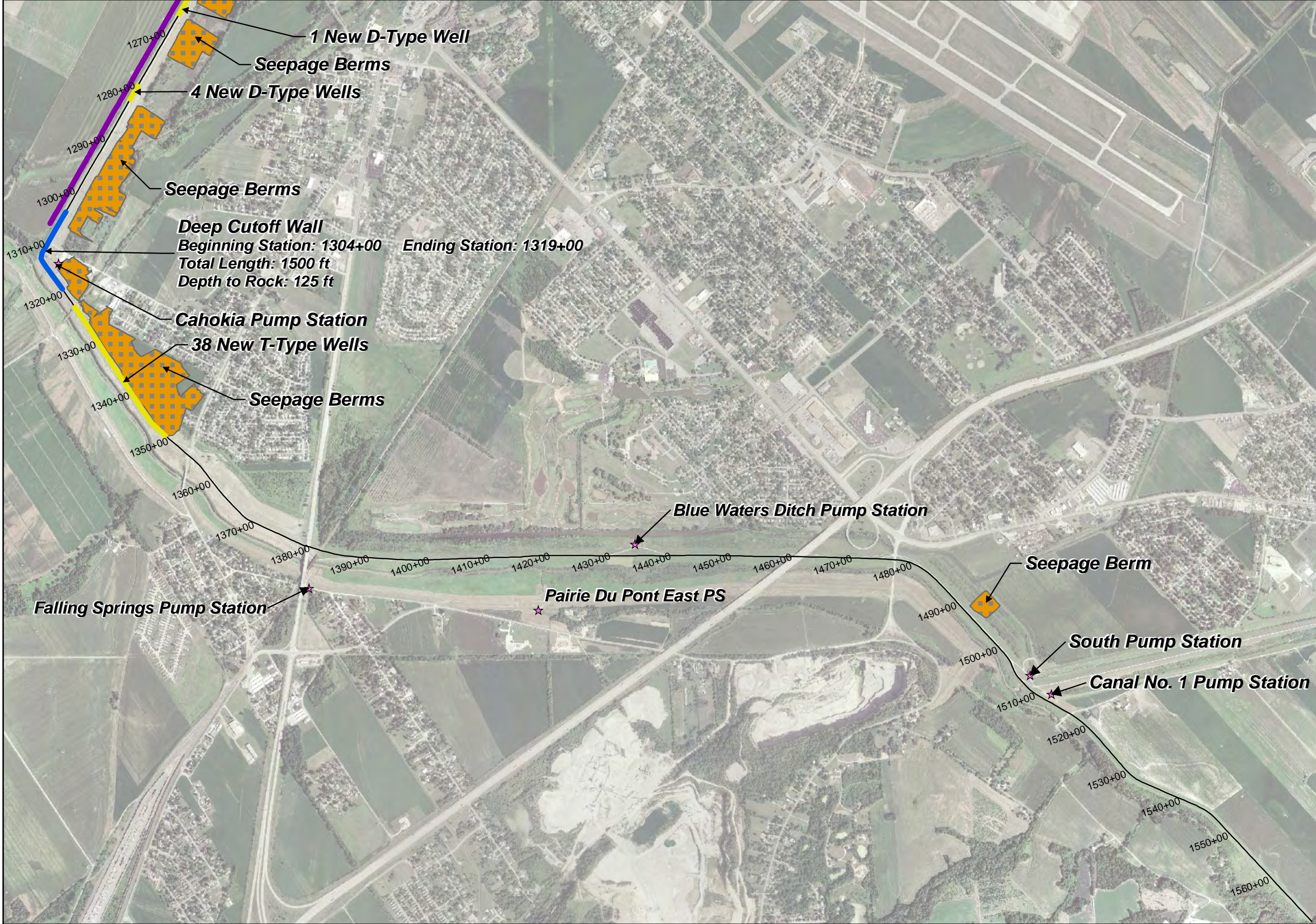


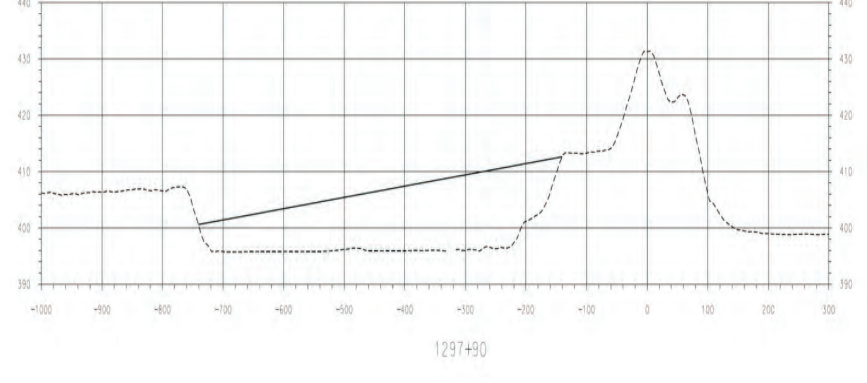
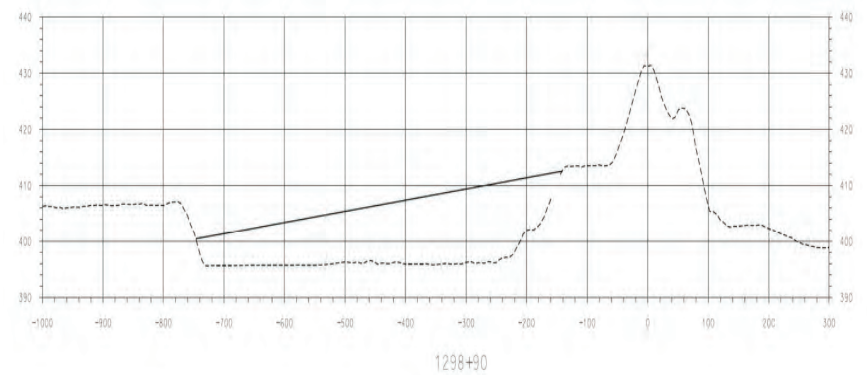
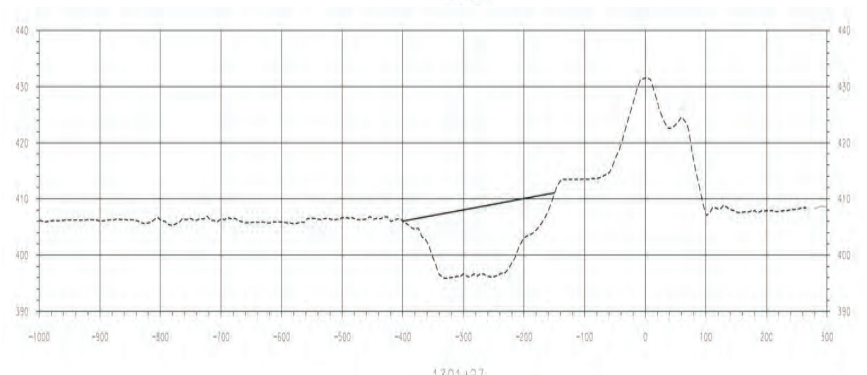
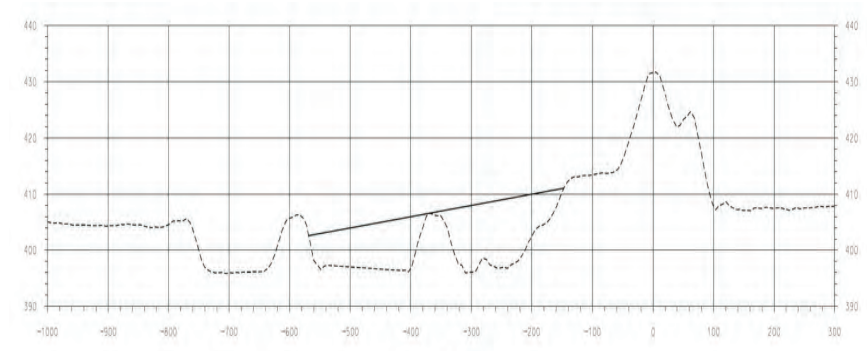
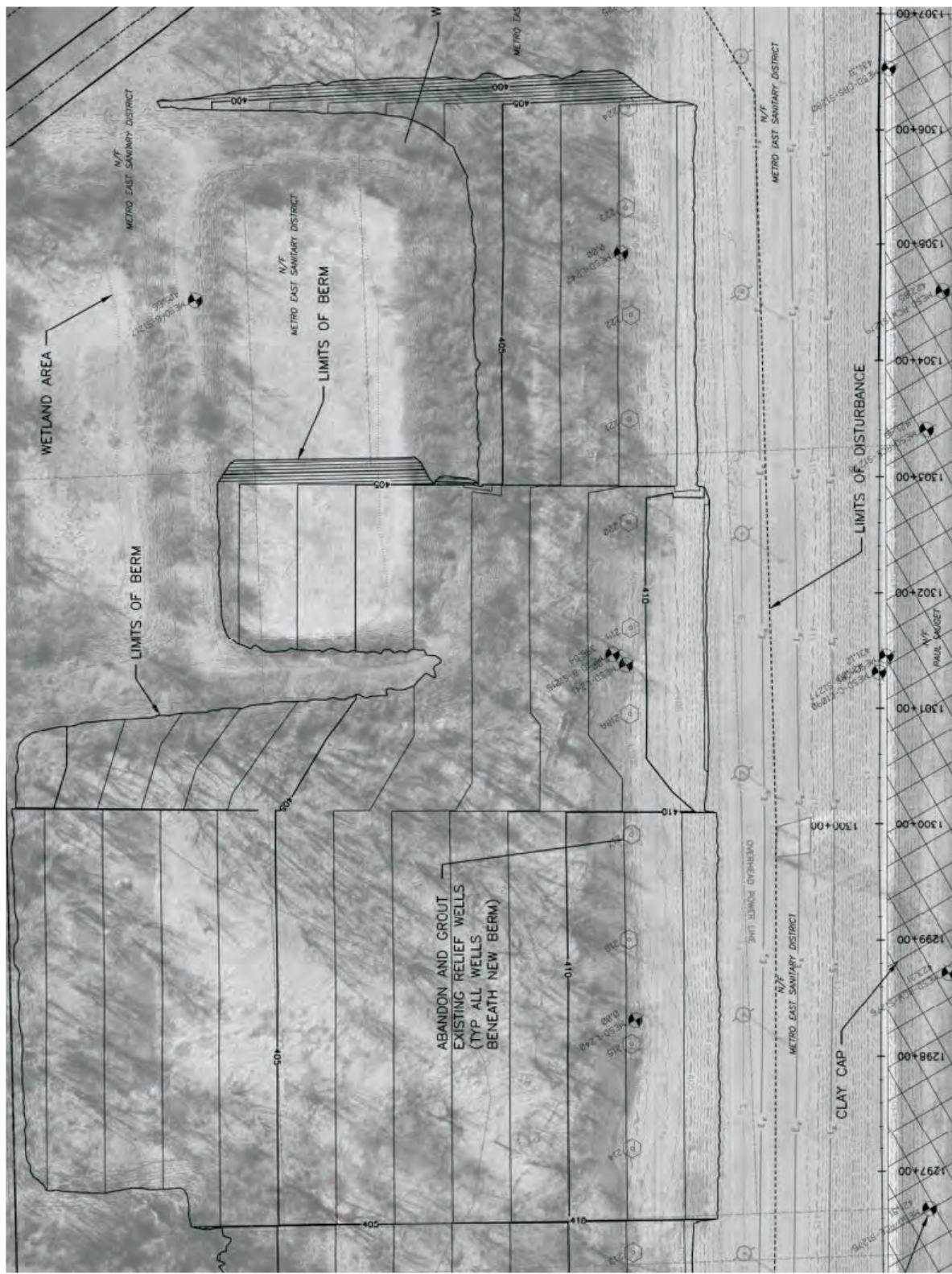


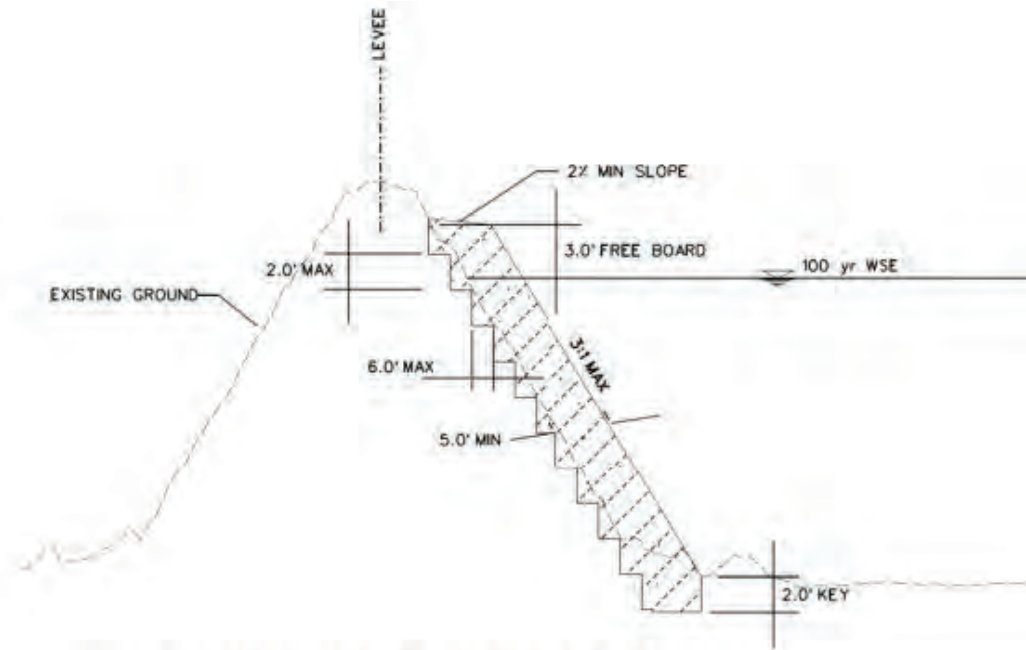
Legend

- ★ Pump Station
- Yellow line New Relief Wells
- Green line Excluded Reach
- Purple line Riverside Clay Blanket
- Blue line Deep Cutoff Wall
- Red line Shallow Cutoff Wall
- Orange hatched area Seepage Berms
- Black line Levee Centerline



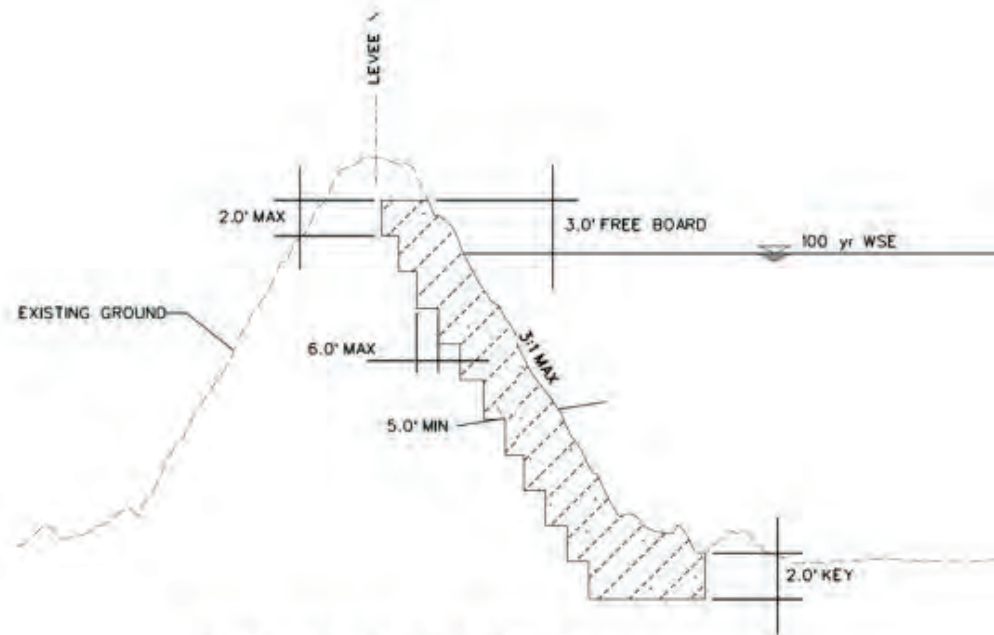






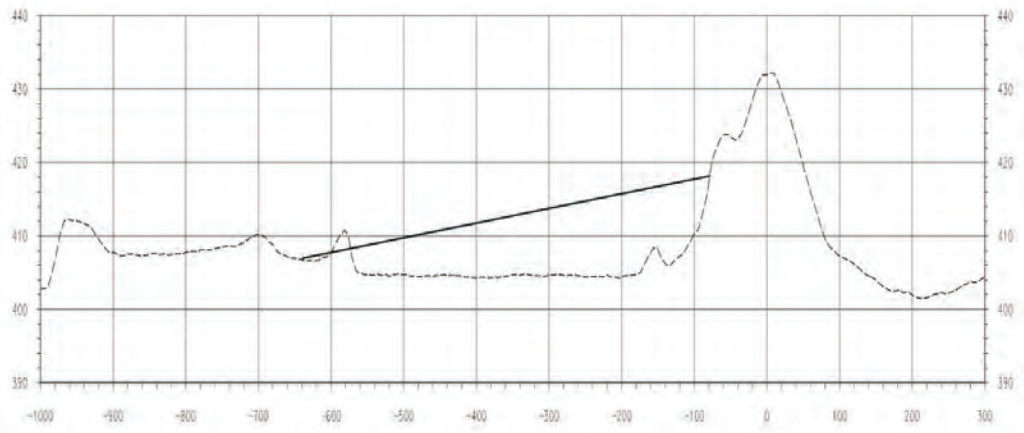
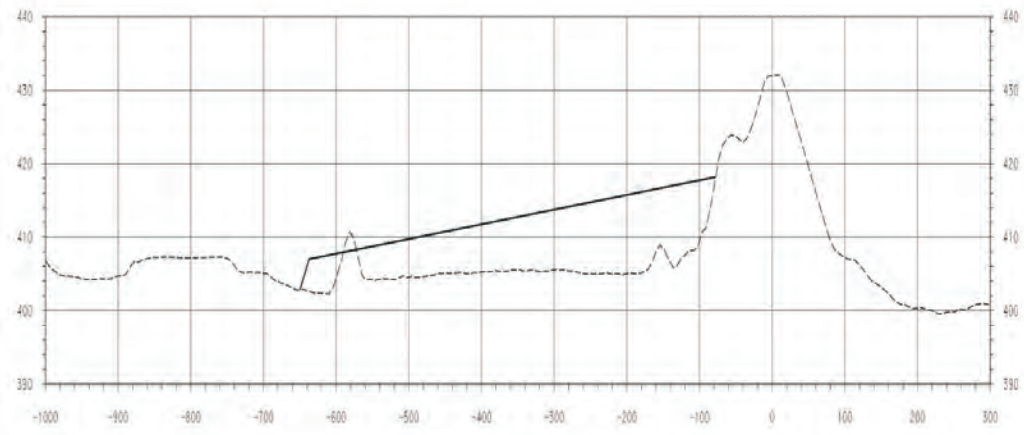
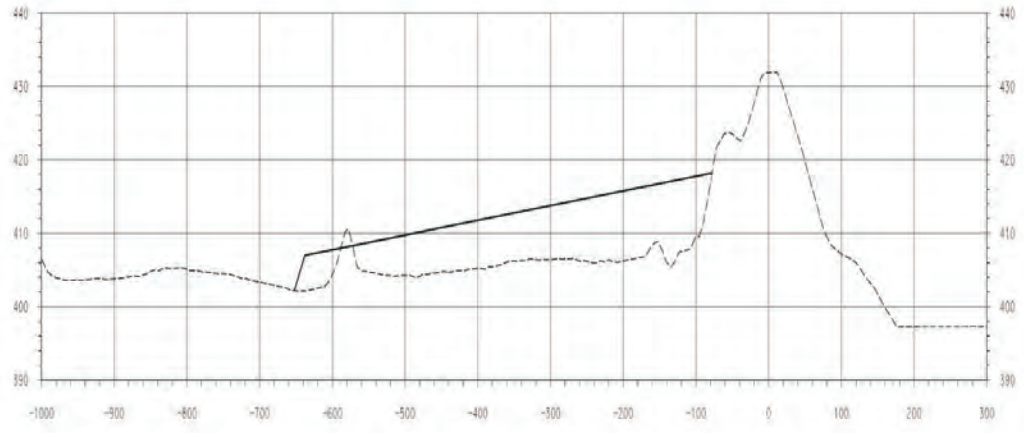
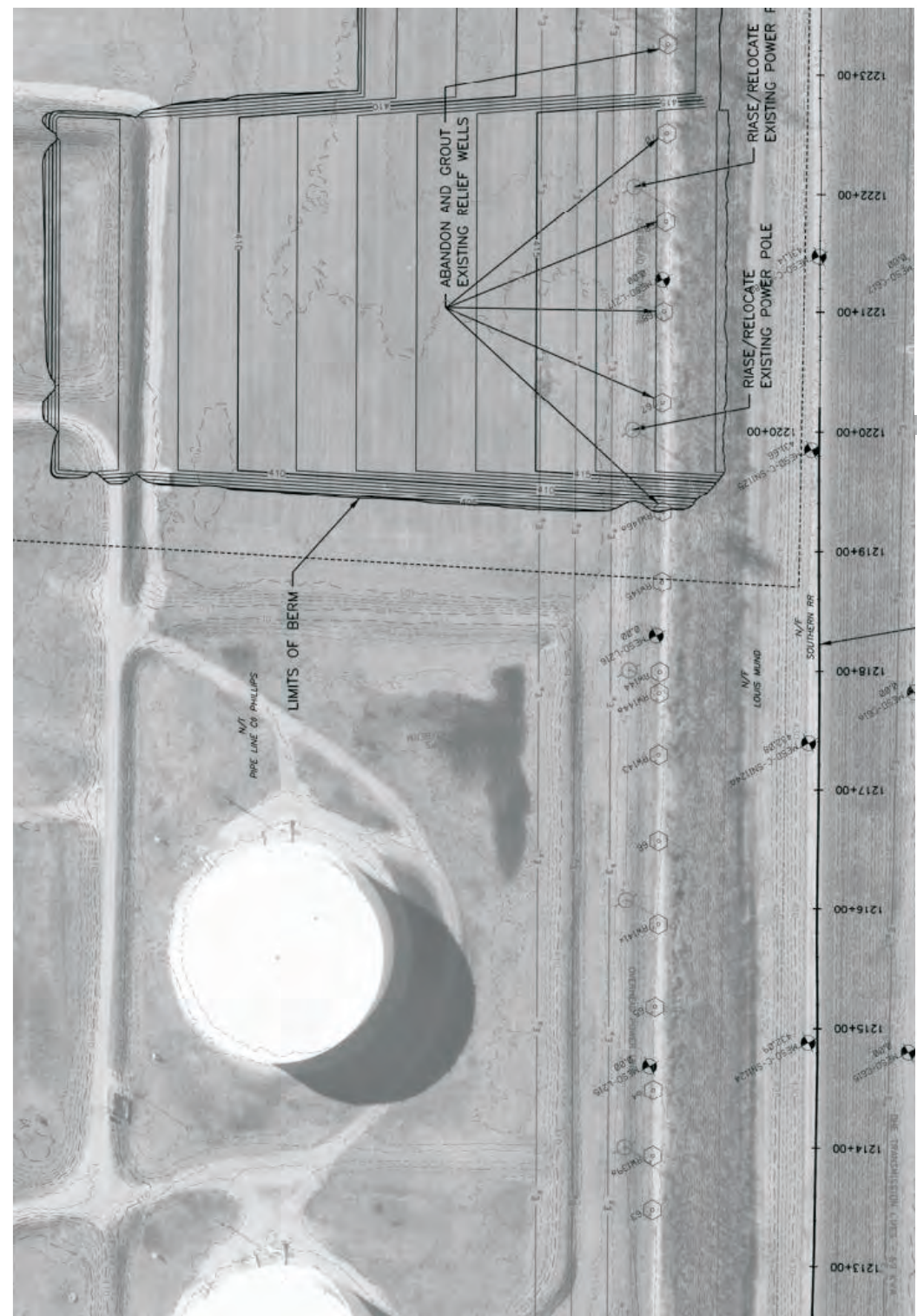
PROTRUDING CLAY CAP DETAIL

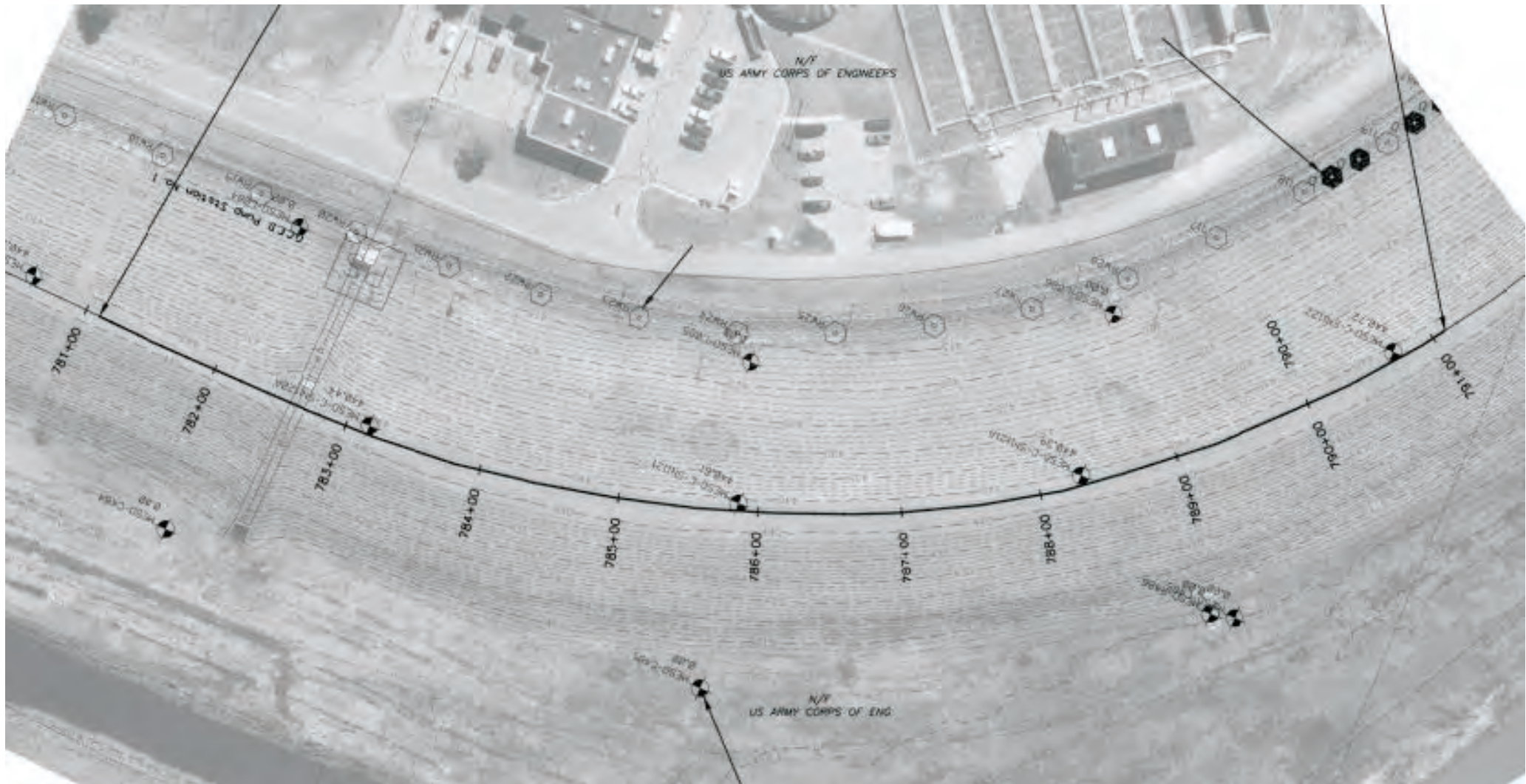
NOT TO SCALE

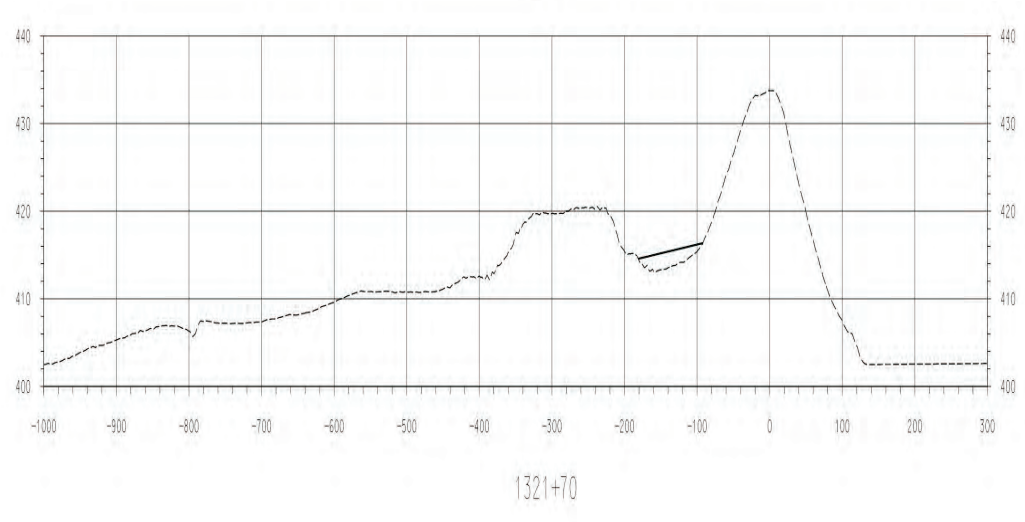
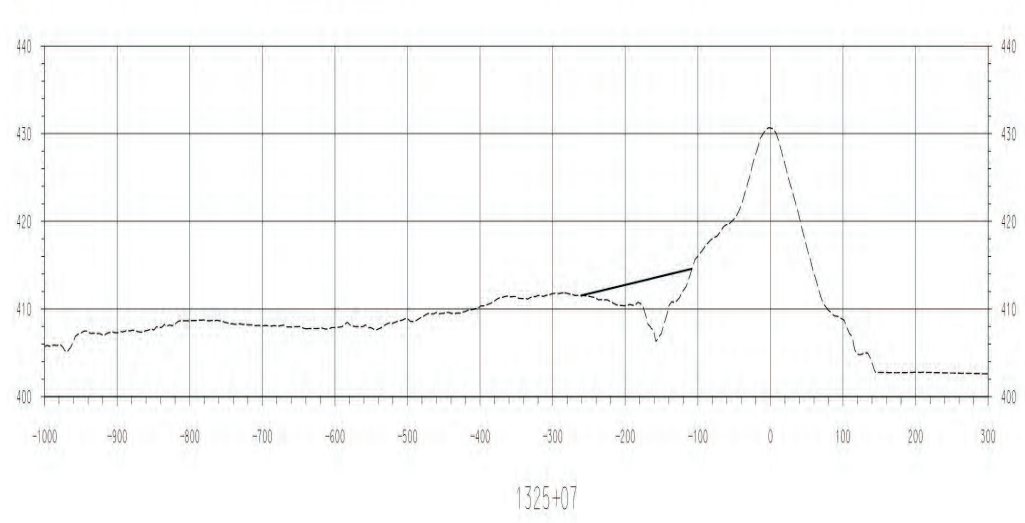
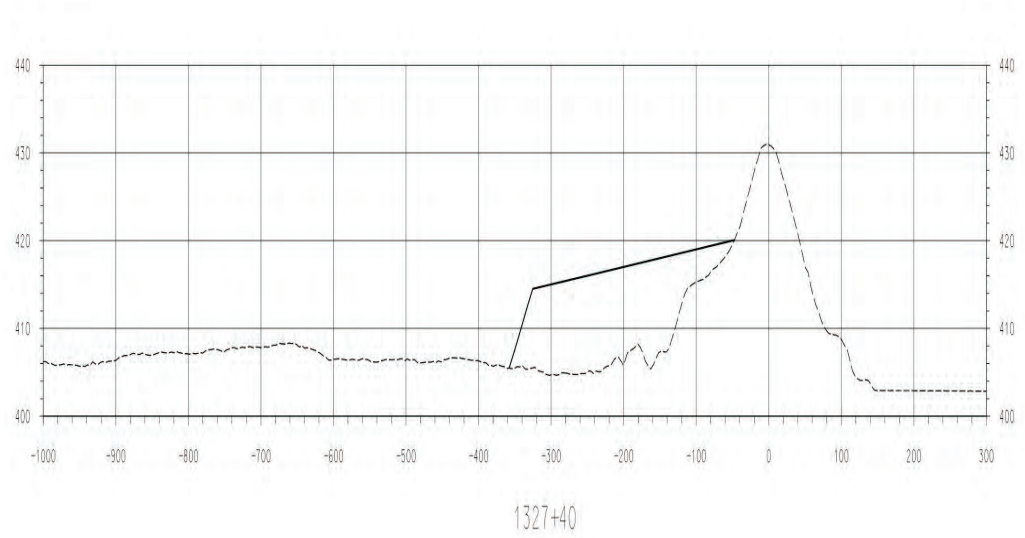
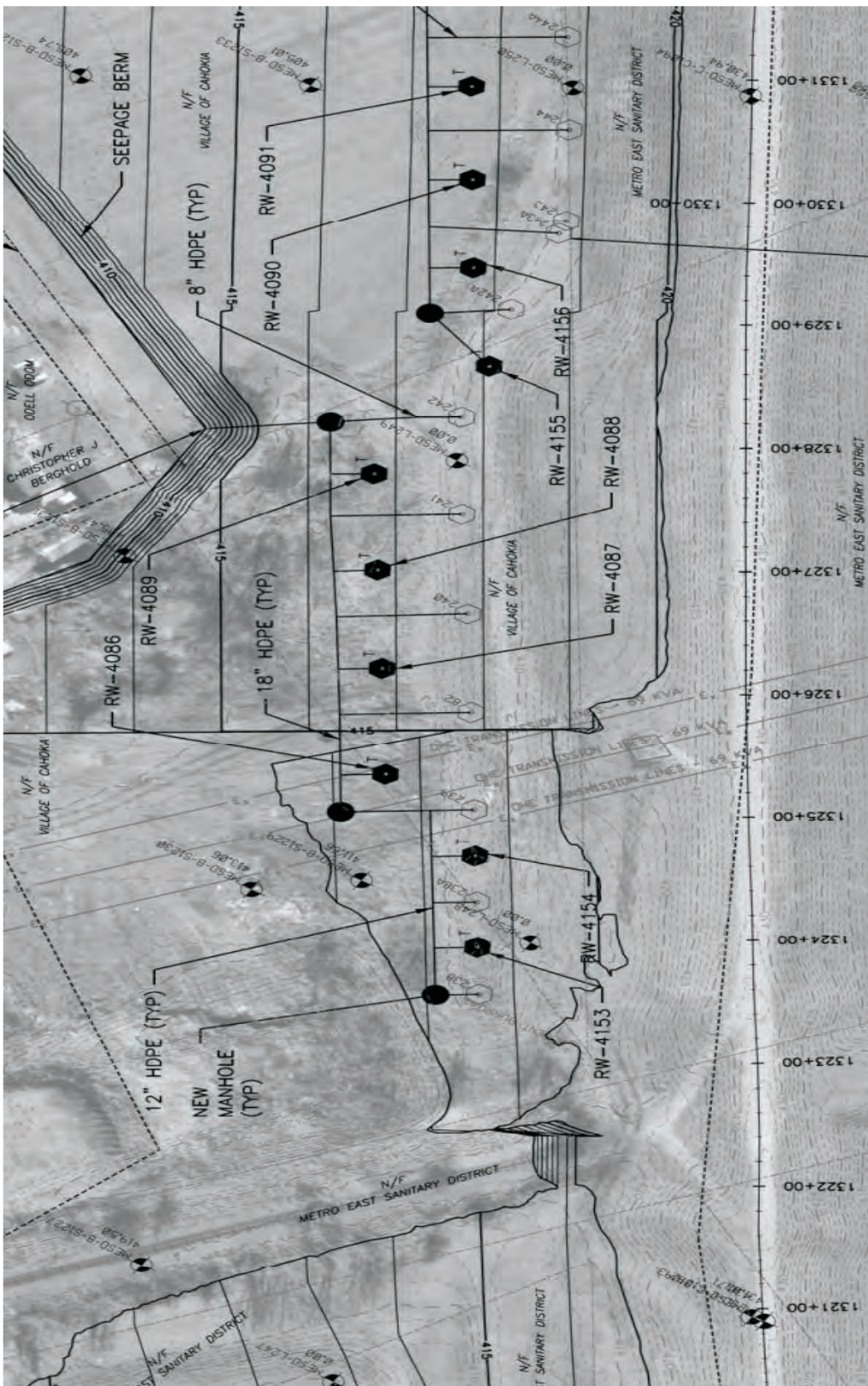


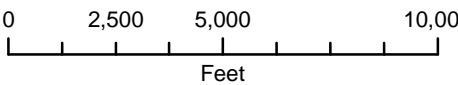
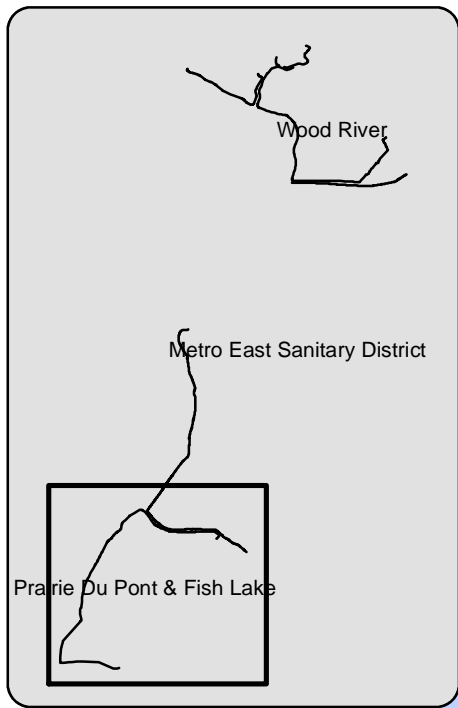
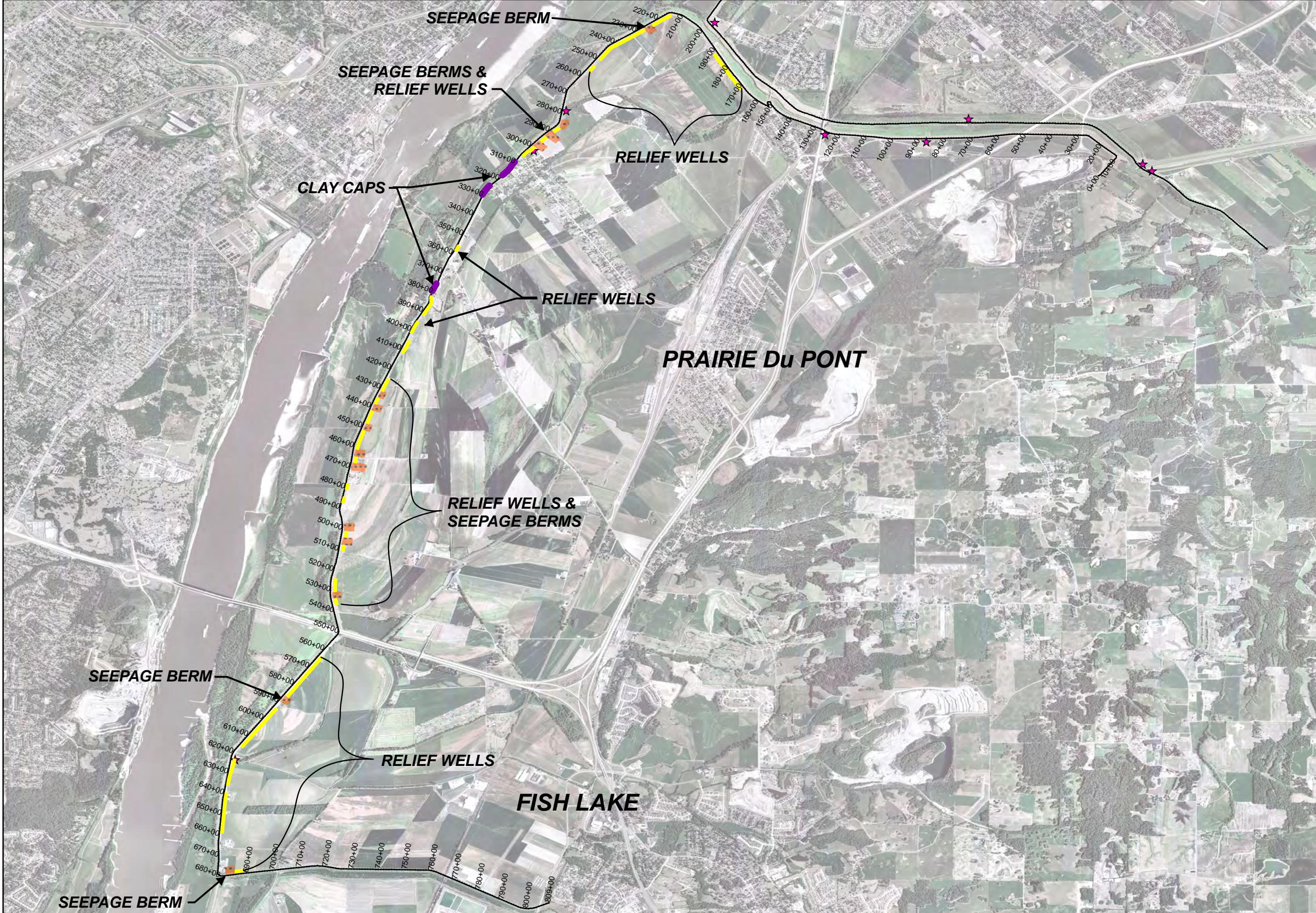
FLUSH CLAY CAP DETAIL

NOT TO SCALE









Legend

- riverside clay blanket
- new relief wells
- levee centerline
- pump station
- seepage berm

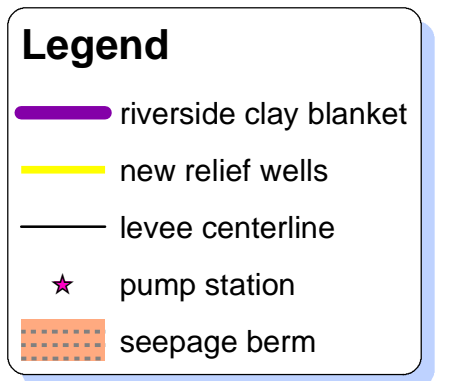
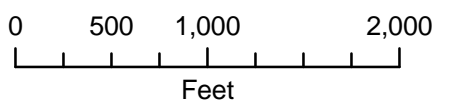
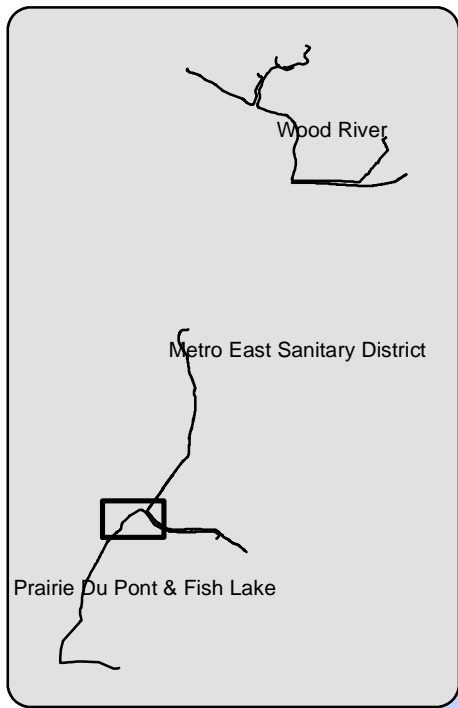
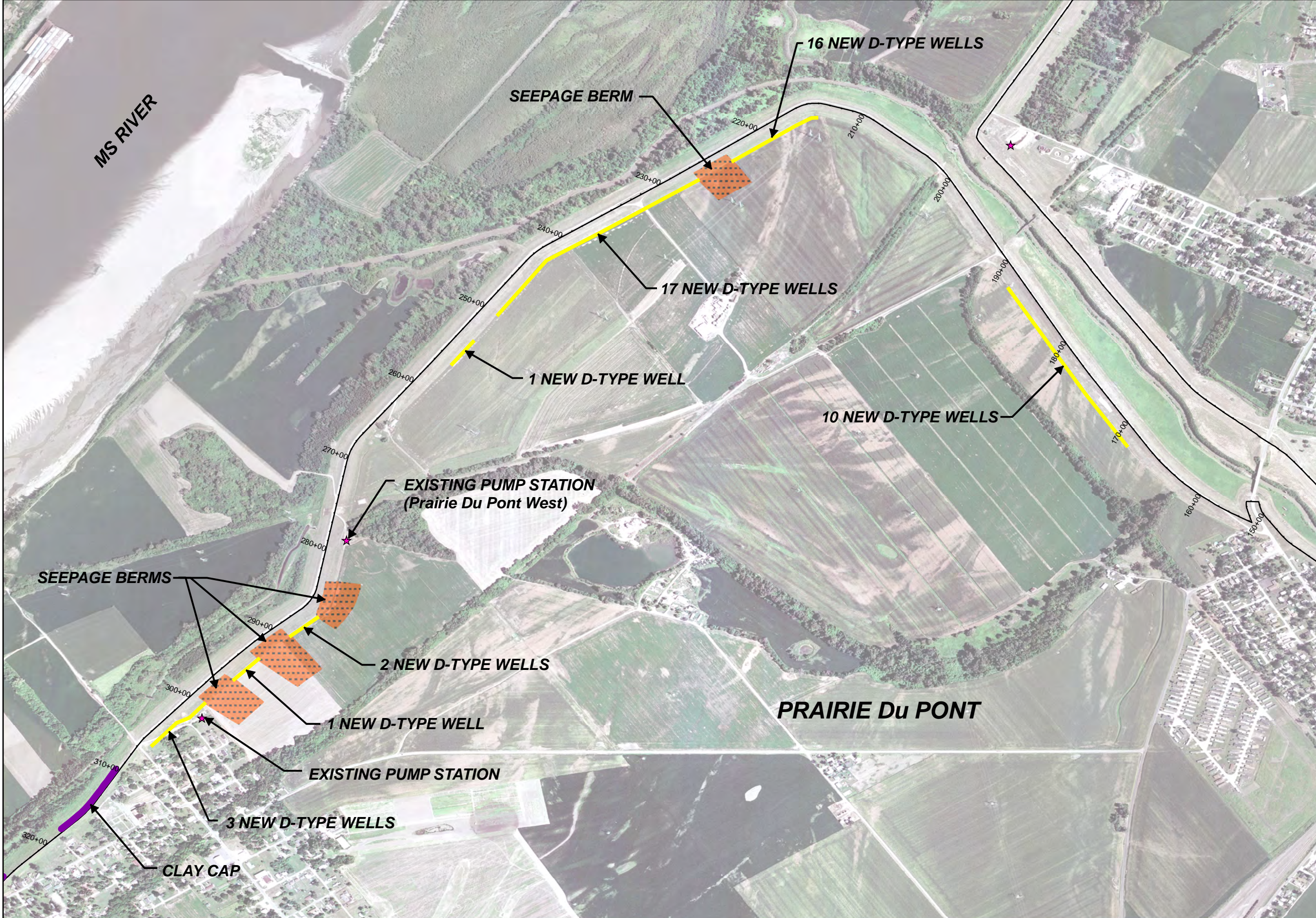


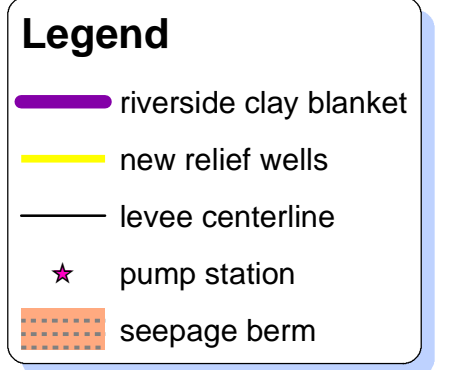
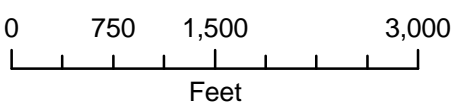
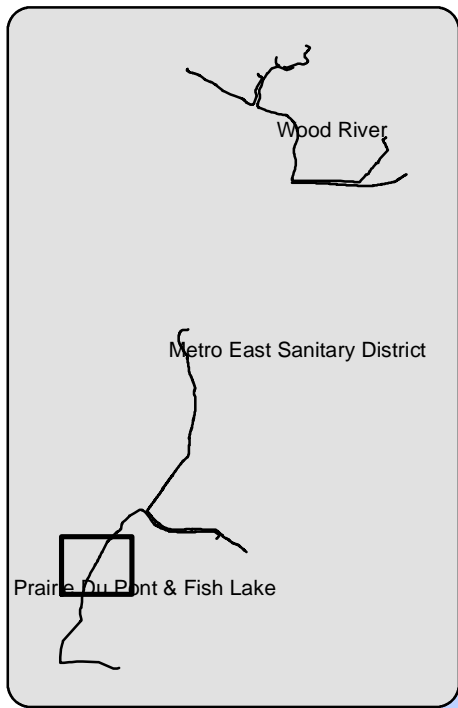
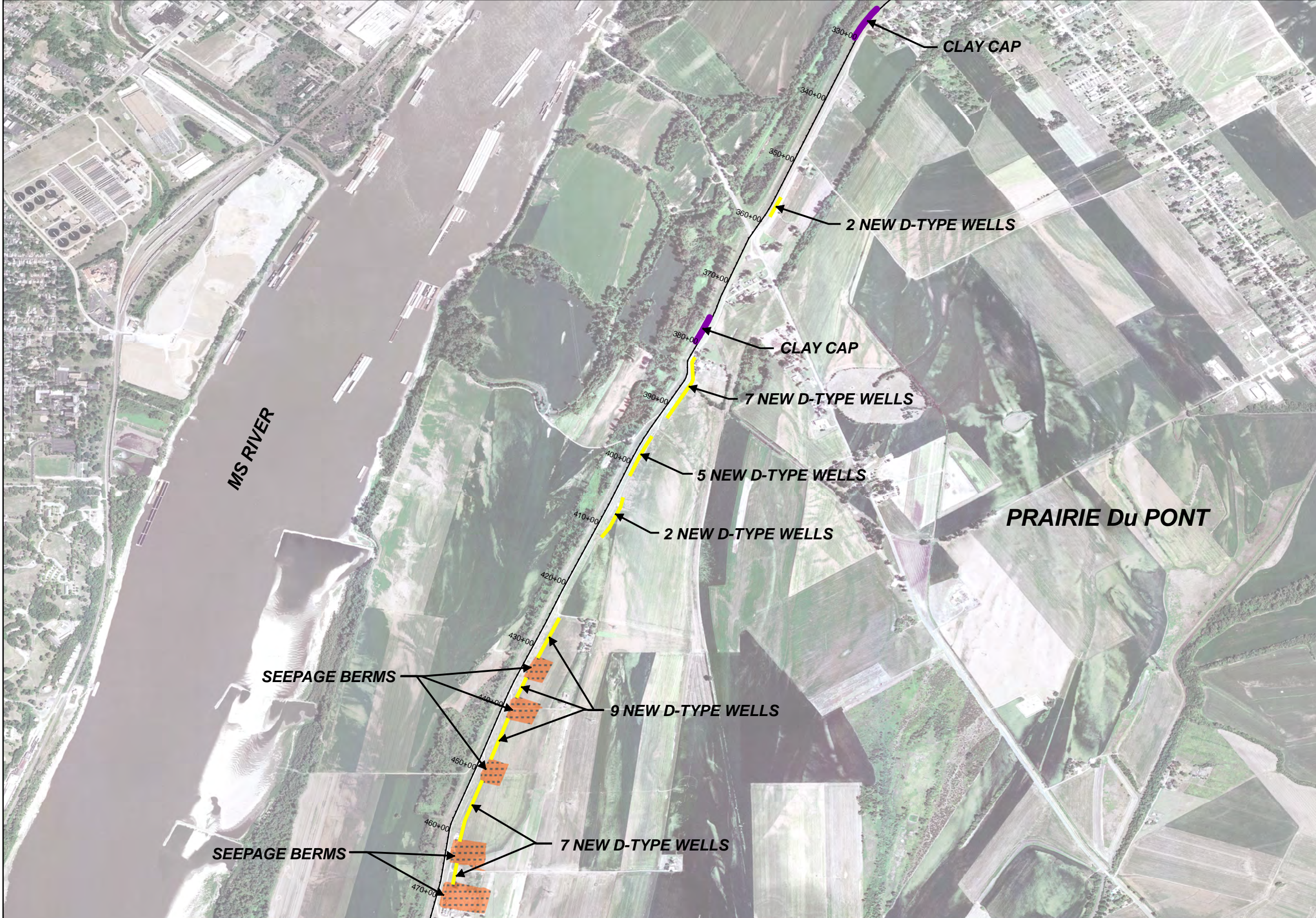
SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SOUTHWESTERN ILLINOIS FLOOD PREVENTION INITIATIVE

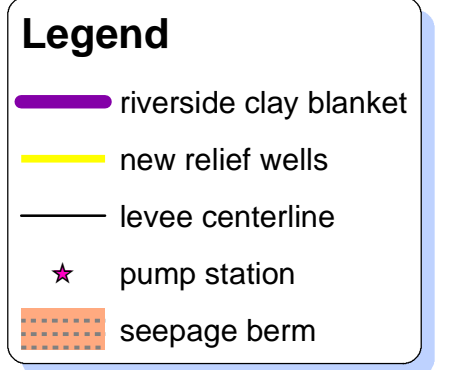
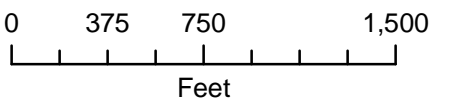
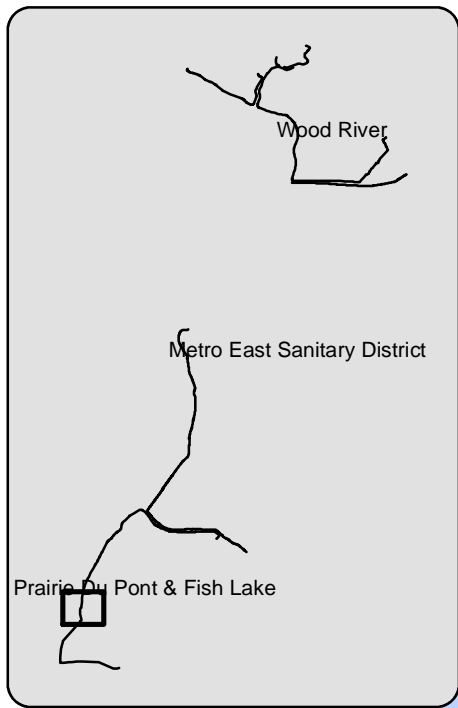
FEMA CERTIFICATION - PROGRESS SOLUTIONS
PRAIRIE Du PONT & FISH LAKE DRAINAGE AND LEVEE DISTRICTS

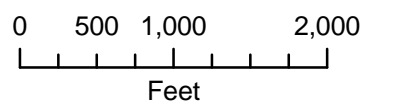
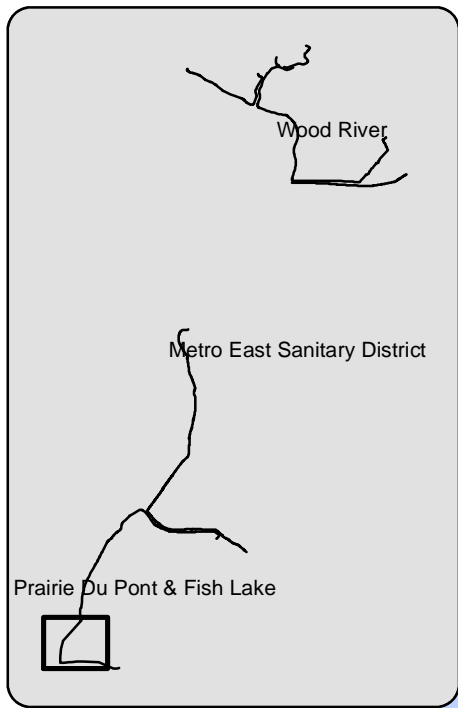
DRAWN BY: MDP
 MARCH 10, 2011
 PdP-1











Legend

- riverside clay blanket
- new relief wells
- levee centerline
- ★ pump station
- ▨ seepage berm



SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SOUTHWESTERN ILLINOIS FLOOD PREVENTION INITIATIVE

FEMA CERTIFICATION - PROGRESS SOLUTIONS
PRAIRIE Du PONT & FISH LAKE DRAINAGE AND LEVEE DISTRICTS

DRAWN BY: MDP
MARCH 10, 2011
PdP-5

amec
 3800 EZELL RD, SUITE 100
 NASHVILLE, TN 37211



Memo to: Board of Directors
From: Les Sterman
Subject: Program Status Report for April, 2011
Date: April 17, 2011

Design/Construction

Much of the last month has been taken up with the process that I outlined last month to accomplish a thorough review of the progress drawings that AMEC submitted to us on March 1. We expect the final 30% design submittal to be made on or about May 9. The process to get from the set of progress drawings to the submittal of the 30% drawings consists of the following steps:

1. Overview meetings with partners/stakeholders to review and refine the design. Meetings have been held with the Corps of Engineers and all of the area levee districts. The Board was fully briefed on the design at the last meeting on March 16.
2. Overview meetings were followed up with detailed review sessions for each levee district with both the Corps and the staff of each district.
3. A value engineering workshop was held on March 28-31 with a panel of independent reviewers led by our project management oversight consultant, Doug Campion. They submitted a report on April 14.
4. Preparation of cost estimates following the refinement of the progress design resulting from the above activities.

Two more steps will be needed once the 30% submittal is made to assemble a comprehensive implementation plan.

1. Refine the financing model and develop a financing plan based on current market conditions and our project schedule to determine our financial capacity to build a project in accordance with the preliminary design.
2. Bring together the design, cost estimate and financial plan to develop a draft project schedule and construction sequence.

Based on the discussions of the March 1 submittal by AMEC, there will likely be some significant changes that will be evident in the 30% design. Every effort is being made to reduce the extent of some of the high cost elements of the project, such as cutoff walls. Some of this is

a result of more sophisticated analysis. Further refinements to the design may result in smaller quantities of materials or more efficient combinations of underseepage controls.

Some of the costs savings that might result from refined analysis may be offset by an increased cost contingency, since there has been general agreement that AMEC's previous assumption about cost contingencies was probably too aggressive. Closer examination of the early design proposal will also lead to better understanding of schedule and cost risks. So, while it is apparent that the scope of the improvements might be somewhat reduced, cost savings will likely be offset by recognition of increased costs in some areas.

The effort to make the design more cost-effective will continue into the next stage of the design process. The use of more sophisticated underseepage modeling will likely allow some further reductions in scope and cost.

On April 7-15 the Corps of Engineers conducted a value engineering exercise on their design concept proposals for the Wood River and Prairie DuPont/Fish Lake levee systems. While the Corps' design addresses the authorized (500-year) level of protection, the design concepts are similar, so there may be some additional ideas that emerge to make the design for our project more cost-effective.

In my view, the biggest risks to the project are a variety of external factors such as regulatory hurdles, cooperation of affected property owners, and the weather. It is apparent now that the state of the federal budget, combined with a cumbersome and time-consuming project development and funding process, will limit the Corps' financial participation in the project. However, their regulatory role will indeed be critical to our success, and we hope that the Corps may still undertake a limited portion of project for which they can access funding over the next few years. Further, the Corps will need to certify two reaches of levee, the Chain of Rocks levee and the Mel Price Lock and Dam area.

Financing

A contract was executed with ButcherMark Financial Advisors following approval at the March Board meeting. Work is underway on the updated financial plan.

The first rebate from the U.S. Treasury for interest payments on the Build America and Economic Recovery Zone bonds was received last week and wired to the bond trustee.

Legislation

During a recent conference call with staff from Sen. Durbin's and Sen. Cochran's offices, I and Dennis Wilmsmeyer provided some feedback on their ideas to mitigate the economic impact of mandatory flood insurance. I followed up with a memo to them (copy attached) about our legislative priorities.

At your direction, I also worked with the Levee Issues Alliance on an inquiry to our congressional delegation about the real meaning of FEMA's recent announcement of changes to their "without levees" approach to mapping areas behind deaccredited levees. It continues to

appear to us that this policy change may not result in any material changes to the flood insurance rate maps due to be issued by FEMA in the next year.

Legal

We continue to await the federal court's ruling on FEMA's motion to dismiss our lawsuit.

Project Administration

The Council's website www.floodpreventiondistrict.org has been live for about three weeks. I have successfully posted new material on the site and will continue to maintain it with minimal assistance.



Memo to: Board of Directors
From: Les Sterman
Subject: Budget Report through March 31, 2011
Date: April 18, 2011

Attached is the budget report for March 2011. It includes an accounting of revenues and expenditures in the current year and the year ended on September 30, 2010. Accrued expenditures for the current fiscal year are \$10,534,548. Expenditures for design and construction have been accelerating with the intensive efforts on pre-construction testing and preparation of preliminary design documents. About a third of total expenditures were reimbursement of advance funding from St. Clair and Madison County. The largest share of remaining expenditures were cost-share on design and construction of Corps projects in Wood River and Prairie DuPont, and bond issuance costs.

We are beginning a third year of sales tax receipts. In 2010, sales tax collections totaled a little over \$11 million or about 6.7% higher than in 2009. December's receipts were about 3.8% higher than in 2009, so the positive trend in receipts was not quite as strong as in the earlier months of 2010. In January 2011, the trend remained positive, but the rate of increase is slowing, with receipts up only 3.29% from the same month in 2010.

Southwestern Illinois Flood Protection District Council
 Comparison of Budget to Actual (accrual basis)
 March 31, 2011

		Budget Period October 2010 - September 2011			Prior Year		
		Approved Budget	October 1, 2010 thru March 31, 2011	Balance Remaining	Approved Budget	October 1, 2009 thru September 30, 2010	Balance Remaining
Resources							
<i>Flood Prevention Occupation Tax Proceeds</i>							
	St. Clair	\$5,130,239	\$2,210,033	\$2,920,206	\$18,503,826	\$3,904,978	\$3,077,364
	Madison	4,900,790	\$2,083,380	\$2,817,410	\$17,023,520	3,592,579	\$2,961,994
	Monroe	479,857	\$204,537	\$275,320	\$1,480,306	312,398	\$287,892
	Subtotal Tax Proceeds	10,510,886	\$4,497,950	\$6,012,936	\$37,007,652	\$7,809,955	\$6,327,249
	<i>Bond Proceeds ⁽¹⁾</i>	84,268,762	95,863,994	(11,595,232)	110,000,000	95,863,994	(11,595,232)
	<i>Interest Income</i>	335,060	3,979	331,081	1,200,000	2,162	330,860
<i>Other Contributions</i>							
	St. Clair		-	-	25,000	37,959	16,525
	Madison		-	-	25,000	34,924	19,203
	Monroe		-	-	5,000	3,038	7,322
	Other				25,000		
	Subtotal Other Contributions	-	-	-	80,000	75,921	43,050
Total Resources		\$95,114,708	\$100,365,923	-\$5,251,215	\$148,287,652	\$103,752,032	-\$4,894,073
EXPENDITURES							
Design and Construction							
<i>Flood Prevention District Council Design and Construction Costs</i>							
Engineering Design & Construction							
	Management	\$ 6,598,265	\$ 2,145,948	\$ 4,452,317	\$ 75,000	\$ 535,845	\$ (460,845)
	Construction	50,000,000	2,467,378	47,532,622	20,000,000	423,974	19,576,026
<i>Construction and design by US ACE - Federal Cost-Share</i>							
	Wood River	600,000	591,231	8,769	6,935,000	6,066,846	868,154
	MESD ⁽²⁾	450,000		450,000		-	-
	Prairie DuPont/Fish Lake ⁽³⁾	600,000	546,333	53,667	-	139,667	(139,667)
		58,248,265	5,750,890	52,497,375	27,010,000	7,166,332	19,843,668

Southwestern Illinois Flood Protection District Council
 Comparison of Budget to Actual (accrual basis)
 March 31, 2011

	Budget Period October 2010 - September 2011			Prior Year		
	Approved Budget	October 1, 2010 thru March 31, 2011	Balance Remaining	Approved Budget	October 1, 2009 thru September 30, 2010	Balance Remaining
Professional Services						
Legal & Legislative Consulting	126,000	50,865	75,135	20,000	206,353	(186,353)
Construction Oversight	140,833	-	140,833	-	-	-
Impact Analysis/Research ⁽⁴⁾	20,000	-	20,000	50,000	13,616	36,384
Financial Advisor		19,524	(19,524)	60,000	297,497	(237,497)
	<u>286,833</u>	<u>70,389</u>	<u>216,444</u>	<u>130,000</u>	<u>517,466</u>	<u>(387,466)</u>
Bond Issuance Costs						
Underwriter's fees	536,000	642,362	(106,362)			
Underwriter's Counsel	80,000	102,275	(22,275)			
Issuer's Counsel	10,000	8,500	1,500			
Bond Counsel	330,000	330,000	-			
Financial Advisor	105,000	93,735	11,265			
Rating Agencies fees	81,000	85,300	(4,300)			
Trustee fee	5,000	1,200	3,800			
Printing	5,000	1,273	3,727			
Conduit Issuer's fees	-	93,529	(93,529)			
	<u>1,152,000</u>	<u>1,358,174</u>	<u>(206,174)</u>			
Reimbursement of Advance Funding						
St. Clair	1,241,796	1,241,796	-	620,898	-	620,898
Madison	1,999,276	1,999,276	-	999,638	-	999,638
Monroe	260,706	-	260,706	130,354	-	130,354
	<u>3,501,778</u>	<u>3,241,072</u>	<u>260,706</u>	<u>1,750,890</u>	<u>-</u>	<u>1,750,890</u>
Debt Service						
Supplemental Bond Reserve Fund ⁽⁵⁾	5,731,238	-	5,731,238			-
Principal and Interest	6,267,037	-	6,267,037	6,600,000		6,600,000
Federal Interest Subsidy	(1,279,886)	-	(1,279,886)			-
	<u>10,718,389</u>	<u>-</u>	<u>10,718,389</u>	<u>6,600,000</u>	<u>-</u>	<u>6,600,000</u>
Subtotal	<u>\$73,907,265</u>	<u>10,420,525</u>	<u>63,486,740</u>	<u>35,490,890</u>	<u>7,683,798</u>	<u>27,807,092</u>

Southwestern Illinois Flood Protection District Council
 Comparison of Budget to Actual (accrual basis)
 March 31, 2011

	Budget Period October 2010 - September 2011			Prior Year		
	Approved Budget	October 1, 2010 thru March 31, 2011	Balance Remaining	Approved Budget	October 1, 2009 thru September 30, 2010	Balance Remaining
General and Administrative Costs						
Salaries, benefits	183,885	77,692	106,193	169,044	175,491	(6,447)
Advertising	2,500	-	2,500	630	-	630
Bank service charges	420	269	151	600	357	243
Conference registration	700	-	700	500	-	500
Equipment and software	3,800	4,824	(1,024)	1,000	1,077	(77)
Fiscal agency services (EWG)	16,500	10,506	5,994	11,367	8,160	3,207
Furniture	1,000	641	359	1,200	-	1,200
Meeting expenses	400	655	(255)	600	242	358
Miscellaneous startup expenses	-	-	-	250	600	(350)
Office rental	7,200	-	7,200			-
Postage/delivery	500	154	346	180	307	(127)
Printing/photocopies	1,350		1,350	400	220	180
Professional services	12,500	11,875	625	24,000	4,725	19,275
Publications/subscriptions	200	-	200	200	139	61
Supplies	1,260	922	338	250	1,023	(773)
Telecommunications/internet	3,190	1,463	1,727	2,660	3,386	(726)
Travel	8,200	3,672	4,528	12,464	8,113	4,351
Other business expenses	1,750	372	1,378	1,000	400	600
Insurance	3,000	978	2,022	2,000	-	2,000
Subtotal	<u>\$248,355</u>	<u>\$114,023</u>	<u>\$134,332</u>	<u>\$228,345</u>	<u>\$204,240</u>	<u>\$24,105</u>
Contingency				1,368,417.0		1,368,417
Total Expenditures	<u><u>\$74,155,620</u></u>	<u><u>\$10,534,548</u></u>	<u><u>\$63,621,072</u></u>	<u><u>\$37,087,652</u></u>	<u><u>\$7,888,038</u></u>	<u><u>\$27,831,197</u></u>

Notes

- (1) Par value of bonds issued plus premium
- (2) Share to be paid from MESD resources until exhausted
- (3) FY2011 amount to be determined
- (4) Various analysis and research efforts
- (5) Contractually required reserve trust funds held for the benefit of the bond issuer and bondholders

Southwestern Illinois Flood Protection District Council
 Comparison of Budget to Actual (accrual basis)
 March 31, 2011

	Budget Period October 2010 - September 2011			Prior Year		
	Approved Budget	October 1, 2010 thru March 31, 2011	Balance Remaining	Approved Budget	October 1, 2009 thru September 30, 2010	Balance Remaining
<u>Budget Summary</u>						
Resources						
Flood Prevention Tax Proceeds	\$10,510,886	\$4,497,950	\$6,012,936	\$37,007,652	\$7,809,955	\$29,197,697
Bond Proceeds	84,268,762	95,863,994	(11,595,232)	110,000,000	95,863,994	\$14,136,006
Interest Income	335,060	3,979	331,081	1,200,000	2,162	\$1,197,838
Other Contributions	-	-	-	80,000	75,921	\$4,079
Total Resources	<u>\$95,114,708</u>	<u>\$100,365,923</u>	<u>-\$5,251,215</u>	<u>\$148,287,652</u>	<u>\$103,752,032</u>	<u>\$44,535,620</u>
Expenditures						
Design and Construction	\$58,248,265	\$5,750,890	\$52,497,375	\$27,010,000	\$7,166,332	\$19,843,668
Professional Services	286,833	70,389	216,444	130,000	517,466	(387,466)
Bond Issuance Costs	1,152,000	1,358,174	(206,174)	-	-	-
Reimbursement of Advance Funding	3,501,778	3,241,072	260,706	1,750,890	-	1,750,890
Debt Service	10,718,389	-	10,718,389	6,600,000	-	6,600,000
General and Administrative Costs	248,355	114,023	134,332	228,345	204,240	24,105
Contingency				1,368,417	-	1,368,417
Total Expenditures	<u>\$74,155,620</u>	<u>\$10,534,548</u>	<u>\$63,621,072</u>	<u>\$37,087,652</u>	<u>\$7,888,038</u>	<u>\$29,199,614</u>

Southwestern Illinois Flood Prevention District Council

March 2011

Beginning Bank Balance @ March 1 \$ 2,523,690.97

Receipts:

<u>Customer:</u>	<u>Date</u>		<u>Amount</u>
Husch Blackwell LLP	03/02/2011	Refund legal fees	39,162.69
St. Clair County FPD	03/12/2011	Payment on invoice	654,413.90
UMB Bank, Bond Trustee	03/16/2011	Bond trustee - cost of issuance account	64,735.00
UMB Bank, Bond Trustee	03/17/2011	Bond trustee - construction account	2,147,345.71
UMB Bank, Bond Trustee	03/31/2011	Bond trustee - general/admin account	31,076.68
UMB Bank, Bond Trustee	03/31/2011	Bond trustee - general/admin account	38,392.85
The Bank of Edwardsville	03/31/2011	Interest earned	787.28
Total receipts			2,975,914.11

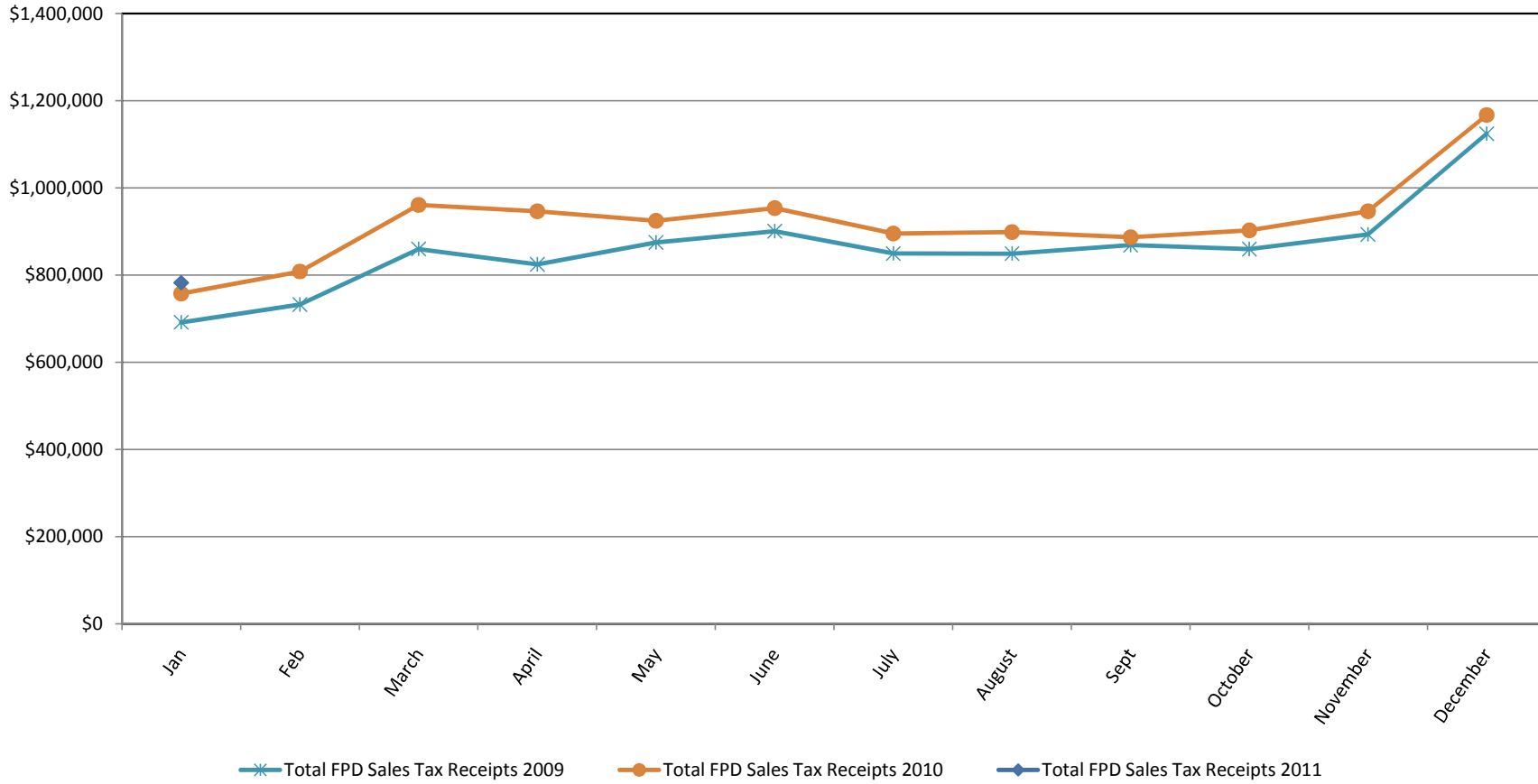
Disbursements:

<u>Payee:</u>	<u>Date</u>	<u>Check No</u>	<u>Purpose</u>	<u>Amount</u>
Madison Co. FPD	03/04/2011	1078	reimbursement -advance payments	1,932,440.21
East West Gateway Council of Govts.	03/04/2011	1079	contract payment	17,381.86
Hostgator.com	03/07/2011	auto w/d	web hosting	9.95
St. Clair County	03/16/2011	1081	reimbursement -advance payments	1,241,796.00
Chapman and Cutler	03/16/2011	1082	contract payment	1,000.00
East West Gateway Council of Govts.	03/21/2011	1083	contract payment	35,966.15
Sprague & Urban	03/16/2011	1084	legal fees	600.00
Husch Blackwell LLP	03/16/2011	1085	contract payment	611.78
The Hauser Group, Inc.	03/16/2011	1086	contract payment	2,250.00
Scheffel & Company, PC	03/16/2011	1087	contract payment	4,800.00
The Bank of Edwardsville	03/16/2011	auto w/d	bank service fees	10.00
Schnucks	03/16/2011	auto w/d	meeting costs	14.22
The Bank of Edwardsville	03/17/2011	auto w/d	bank fees	10.00
AMEC Earth & Environmental, Inc.	03/21/2011	1088	contract payment	1,347,712.32
YouSendIt Inc	03/21/2011	auto w/d	annual subscription-send files	49.99
Wal-Mart	03/28/2011	auto w/d	meeting costs	33.94
Wal-Mart	03/29/2011	auto w/d	meeting costs	13.53
Dorgan-McPike & Associates, Ltd.	03/30/2011	1089	contract payment	6,000.00
Scott-Balice Strategies	03/30/2011	1090	contract payment	63,735.00
The Bank of Edwardsville	03/31/2011	auto w/d	bank service fees	36.84

Total disbursements 4,654,471.79

Ending Bank Balance \$ 845,133.29

FPD Sales Tax Trends Actual Receipts 2009-2011





Memo to: Board of Directors
From: Les Sterman
Subject: February, 2011 Disbursements
Date: March 14, 2011

Attached is a list of disbursements for March 2011. Total disbursements for this period were \$4.64 million. Of that total, about \$3.2 million was to Madison and St. Clair counties for reimbursement of advance funding. Another \$1.35 million was paid to AMEC Earth & Environmental for pre-construction activities, preliminary design and program management.

Recommendation: Accept disbursement report.

Southwestern Illinois Flood Prevention District Council

March 2011

Beginning Bank Balance @ March 1 \$ 2,523,690.97

Receipts:

<u>Customer:</u>	<u>Date</u>		<u>Amount</u>
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UMB Bank, Bond Trustee	03/31/2011	Bond trustee - general/admin account	38,392.85
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Total receipts			2,975,914.11

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Scott-Balice Strategies	03/30/2011	1090	contract payment	63,735.00
The Bank of Edwardsville	03/31/2011	auto w/d	bank service fees	36.84

Total disbursements 4,654,471.79

Ending Bank Balance \$ 845,133.29



Memo to: Board of Directors
From: Les Serman
Subject: Value Engineering Workshop Draft Findings
Date: April 18, 2011

A value engineering workshop was conducted from March 28-31 in the Council's offices. The workshop was led by Doug Campion, our project management oversight consultant.

Value Engineering (VE) is defined as a systematic process of review and analysis of a project, during the concept and design phases, by a multidiscipline team of persons not involved in the project, that is conducted to provide recommendations for:

1. providing the needed functions safely, reliably, efficiently, and at the lowest overall cost;
2. improving the value and quality of the project; and
3. reducing the time to complete the project.

The VE review team was a multidisciplinary group consisting of seasoned professionals in geotechnical engineering, environmental analysis, project management, construction, and hydrology & hydraulics. In addition, two staff members from the Corps of Engineers participated as part of the panel.

The findings of the VE team are described in the attached executive summary of the report. In general, the team focused on reducing or eliminating some of the high cost elements of the project. For example, they suggested possible elimination of cutoff walls by using a hybrid combination of underseepage controls and by using more sophisticated analysis techniques. In addition, they suggested that water berms might be effective in certain situations in place of other more costly underseepage controls.

In a departure from the typical VE process, AMEC engineers were extensively consulted throughout the workshop, resulting in a collaborative process of brainstorming. Coincidentally, the Corps was conducting a VE exercise of its own on April 12-15 on their concept designs for the authorized level of flood protection for the Prairie DuPont/Fish Lake and Wood River levee systems.

The overall conclusion of this work is that we can be satisfied that all relevant and useful ideas for reducing costs or increasing performance of the project have been surfaced. Most or all of these ideas have been or will be pursued by AMEC as they continue to refine the design of the project.

EXECUTIVE SUMMARY

Findings & Recommendations

The Value Engineering (VE) Team was pleased with the cooperation and collaborative and professional conduct exhibited by the designer, AMEC Earth & Environmental, Inc. (AMEC) through the course of the workshop. The tone was very collegial and with the best interests of the project at the forefront.

This report, inclusive of its Appendices, provides details on what the objectives were for the workshop and the findings and recommendations developed for consideration now or in the early stages of the final design phase. It is never too early to value engineer every project. While saying that, it is expressly understood that AMEC is very early into the design and it is not uncommon for further analysis to find reasonable alternatives that may significantly reduce scope, and costs, without harming functionality. Also, more detailed design will also uncover opportunities to reduce scope, and consequent costs, when it is clearer what solutions may accomplish the prime objective, that being certification for the 100 year flood level of protection rather than a higher level.

The key recommendations from this VE Workshop include the following:

1. Reduction and/or elimination altogether of cutoff walls. These are very expensive solutions and may be replaced through further analysis hybride relief well/ seepage berm solutions, or relief well/ pond (water berm) solutions. This is particular the case at Wood River. The length of currently proposed cutoff wall solutions and depths as much as 160 feet are of concern. It is believed these can be reduced, at a minimum, and information already suggests a significant reduction in the required cutoff wall along Wood River. More analysis should be done, using 3-D modeling as well.
2. A hybride relief wells/seepage berm solution may better fit the need than the disjointed, hop scotch pattern currently laid out in many areas, thereby also reducing the amount of real estate acquisition otherwise required. This alternative could prove very cost-effective and still perform the functional requirements.
3. In some locations, e.g., the southern flank of Prairie Du Pont/ Fish Lake, where the top stratum is very thin and the required berms are very long and/or closely spaced relief wells are used, an option would be to excavate a pond or lake to relieve seepage, store seepage and storm water, and convey water to pump stations. This was done at Earth City, Missouri. To control the exit gradient these ponds should be excavated into the sand aquifer. The gradient can best be determined using a program such as Seep/W. The water berm or permanent lake idea (like Earth city), not only provides seepage pressure relief, but also provides a potential location for storm water runoff storage, a borrow source for seepage berms or clay cap fill elsewhere on the project, and may create new wetlands to offset wetlands losses elsewhere. The pond must be set back from the levee or berm to maintain an adequate slope stability factor of safety. A

gravel filter blanket can be added to the bottom of the pond if there is a concern about small boils forming in the pond.

4. It is not too soon to begin to investigate and identify sources of material for seepage berms, especially the source(s) to obtain the clay material needed for both berms and clay caps. This will be a major item of expense and there are concerns about where the amount of material will come from, including the potential for long hauling costs.
5. Specifications that mirror the U.S. COE specifications should wherever appropriate be adopted and used. Where there is debate about the use of such specification, this should be resolved as quickly as possible by presentation of the alternate to the Corps and seeking immediate closure on acceptance, before design progresses too far.
6. Cost estimating ought to immediately begin to correlate to both a definitive Work Breakdown Structured project and to proposed contractual specifications to be utilized. Without such care there is too much a potential to inadvertently mask scope and cost creep, as well as miss elements of work that costs are not developed for.
7. There must be a reasoned cost and schedule contingency analysis developed that reflects the uncertainties inherent in such a project. Some of this contingency will be allocated to line items of cost or specific time to perform issues with certain construction, as it should be. But there also must be unallocated contingency available to handle the real unknowns that too often crop up on capital projects. The existing 7% total contingency (presumably both allocated and unallocated) is simply believed to be far too little at this early stage of design.

Value Engineering Team

The value engineering team was assembled by the Council's project management oversight consultant, Campion Group, LLC. The VE workshop was led by Douglas R. Campion, serving both as the facilitator and an active participant. The other members of the VE Team were:

<u>MEMBER/ AFFILIATION</u>	<u>VE CONCENTRATION</u>
Craig D. Brauer, P.E. (Thouvenot, Wade & Moerchen, Inc.)	Environmental; Real Estate Costs
Paul K. Homann, P.E. (Thouvenot, Wade & Moerchen, Inc.)	Hydrology and Hydraulics
Suzanne Goldak, P.E. (Thouvenot, Wade & Moerchen, Inc.)	Hydrology and Hydraulics
John E. Shively, P.E. (Shively Geotechnical, a Division of Environmental Operations, Inc.)	Geotechnical; Construction
John S. Kottemann, P.E. (Shively Geotechnical, a Division of Environmental Operations, Inc.)	Geotechnical

Christopher B. Groves, P.E.
(Shannon & Wilson, Inc.)

Geotechnical; Levee Design

Gregory Bertoglio
(U.S. Army Corps of Engineers)

USACE Requirements; Prairie Du Pont/Fisk Lake districts

James Worts
(U.S. Army Corps of Engineers)

USACE Requirements; Levee Construction

DRAFT



Memo to: Board of Directors

From: Les Sterman

Subject: Authorization to Execute Work Order 4 for Design Services (60% Construction Drawings and Associated Design Services) with AMEC Earth & Environmental for Levee System Design Services

Date: April 18, 2011

At the May 21, 2010 meeting, the Board selected a team of consultants led by AMEC Earth & Environmental to provide program administration, design, and construction management services to the Council for the levee improvement project. The design team consists of the following firms:

- AMEC Earth & Environmental
- URS Corporation
- Sheppard, Morgan & Schwab
- Volkert and Associates
- Juneau Associates
- Hoelscher Engineering
- SCI Engineering
- ABNA Engineering
- Inquip Associates
- Arturo Resi di Cervia

Because the scope and cost of significant elements of the design and construction management work could not be determined until additional data were collected and early design tasks completed, we executed a master services agreement with AMEC that sets forth the basic terms and conditions of our contractual relationship and then a series of sub-agreements or task orders that are executed as scope and costs become clear.

Two such task orders are ongoing: Task Order 1 for Program Administration and Task Order 3 for Preliminary Construction Activities. Task Order 2 for production of 30% construction drawings will be completed on April 30 with the submission of final documents. Authorization is being sought now for Task Order 4 for the next stage of design. A copy of the proposed Task Order scope of work is attached. Table 1 shows a summary of the cost breakdown between the various subcontractors. All of this work is consistent with the proposal submitted by AMEC and accepted by the Council.

To-date, the Council's financial commitment under the AMEC contract is shown below:

Work Order	Cost	Period of Performance
<i>Program Management</i>	\$1,469,600	8/18/2010-3/1/2013
<i>Preliminary Design (30%)</i>	\$3,220,494	8/18/2010-4/30/2011
<i>Preliminary Design (60%)</i>	\$2,599,000	4/21/2011-12/16/2011
<i>Subtotal – Design</i>	\$7,291,094	
<i>Subsurface Investigation & Relief Well Testing</i>	\$5,688,333	8/18/2010-3/1/2013
<i>Subtotal – Construction</i>	\$5,688,333	
<i>Total</i>	\$12,979,427	

AMEC believes they will underspend Work Order 2 (preliminary design) because of activities that are being pushed off into subsequent work, so actual costs might be somewhat less than shown.

AMEC proposes to subcontract about 38% of the work to local subcontractors as shown in Table 1. Subcontracts have not yet been negotiated.

We have made good progress on the project at this point, in large measure due to the performance of AMEC and their subcontractors. All key milestones have been met and the quality of the work is good.

The proposed Work Order 4 is the next logical step in the design process and it could result in construction drawings for some elements of the project such as cutoff walls being effectively complete by the end of the year. Construction drawings for other elements will be very well defined and put us in a position to enter construction next year.

Recommendation:

Authorize the Chief Supervisor to execute Work Order 4 for Design Services with AMEC Earth & Environmental at a cost not to exceed \$2,599,000 to be complete on December 16, 2011.

**Table 1
Summary of Proposed Costs**

Task	Total Fee	Subconsultant Fee	Subconsultant
1. Cultural Resource Surveys	\$ 124,000.00	\$ 20,000.00	SCI
2. Natural Resource Surveys			
<i>Field Delineation/permitting</i>	\$ 272,000.00	\$ 120,000.00	SCI/Hoelscher
<i>Site Selection</i>	\$ 38,000.00		
3. Land Surveys			
<i>Topographic Surveys</i>	\$ 75,000.00	\$ 55,000.00	ABNA/Juneau/SMS
<i>Boundary Surveys</i>	\$ 290,000.00	\$ 280,000.00	ABNA/Juneau/SMS
<i>Strip Maps</i>	\$ 170,000.00	\$ 165,000.00	ABNA/Juneau/SMS
4. Continued Underseepage Analysis	\$ 262,000.00	\$ 112,000.00	URS/Hoelscher
5. Cutoff Walls			
<i>geotechnical analysis</i>	\$ 27,000.00		
<i>design</i>	\$ 105,000.00		
6. Seepage berms/clay caps			
<i>geotechnical analysis</i>	\$ 128,000.00	\$ 50,000.00	URS
<i>design</i>	\$ 380,000.00	\$ 40,000.00	Hoelscher/SMS
7. Relief Wells			
<i>geotechnical analysis</i>	\$ 223,000.00	\$ 70,000.00	URS
<i>design</i>	\$ 330,000.00	\$ 35,000.00	Volkert
8. General Civil Improvements			
<i>design</i>	\$ 120,000.00	\$ 30,000.00	Volkert
9. Stakeholder Coordination	\$ 55,000.00		
Total	\$ 2,599,000.00	\$ 977,000.00	
Subconsultant	38%		



WORK ORDER NO: MSA01-WO04

DESIGN SERVICES

Issued Pursuant to Master Services Agreement Effective **August 18, 2010**,

By and Between

AMEC Earth & Environmental, Inc. (AMEC)

and

Southwestern Illinois Flood Prevention District Council (CLIENT)

CLIENT Office:	<u>104 United Drive</u> <u>Collinsville, IL 62234</u>	AMEC Project No:	<u>563170001</u>
CLIENT Contact:	<u>Les Sterman</u>	Work Order Type: (Check One)	
AMEC Office:	<u>15933 Clayton Road</u> <u>Suite 215</u> <u>Ballwin, MO 63011</u>	Time and Materials (rates attached)	<u>X</u>
		Fixed Price	<u></u>
AMEC Contact:	<u>Jon Omvig</u>	CLIENT Reference No:	<u>n/a</u>

1. SCOPE OF WORK: See Attachment A (incorporated herein by reference)
2. LOCATION/CLIENT FACILITY INVOLVED: Wood River Drainage and Levee District, Metro - East Sanitary District, Prairie du Pont Drainage and Levee District and Fish Lake Drainage and Levee District
3. PERIOD OF PERFORMANCE: April 21, 2011 through December 16,2011
4. AUTHORIZED FUNDING: \$2,599,000.00
5. SPECIAL PROVISIONS: n/a

Southwestern Illinois Flood Prevention District Council

AMEC Earth & Environmental, Inc.

By: _____
Name: Les Sterman
Title: Chief Supervisor of Construction and the Works
Date: _____
Address: 104 United Drive
Collinsville, IL 62234

By: _____
Name: Jim Shepard
Title: Senior Vice President
Date: _____
Address: 15933 Clayton Road, Suite 215
Ballwin, MO 63011

**Attachment A
Scope of Work**

**WORK ORDER NO: MSA01-WO04
PRELIMINARY DESIGN SERVICES**

AMEC Project No: 56317001

Services to be provided by AMEC under this Work Order include 60% complete Construction Documents and associated Design Services in support of the design, construction and certification of the levee systems. This phase of services is required to advance the proposed design solutions included in AMEC's design services proposal and to further develop the 30% complete design solutions. Upon completion of services included in Work Order MSA01-WO04, AMEC will solicit the Council's concurrence before proceeding to the detailed design phase. Services to be provided by AMEC under this Work Order include:

1. CULTURAL RESOURCES SURVEYS

- 1.1. Consult and coordinate with regulatory agencies as required by section 106 of NHPA, to include:
 - verify acceptable field protocols
 - verify permitting requirements
 - verify agency review and approval timeline
 - establish schedule

- 1.2. Complete a Phase I cultural resources investigation and geoarchaeological assessment of potential buried archaeological deposits, to include:
 - phase I cultural resource survey
 - geoarcheologic survey
 - historic above-ground structures survey
 - report (process, documentation & maps)
 - curation of records, photos, field notes and artifacts

Deliverables

Final results of the Phase I archaeological and architectural survey will be in the form a report describing the Phase I survey in its entirety, including the geomorphology results, with accompanying maps. Recommendations for management of any cultural resources encountered will be provided.

2. NATURAL RESOURCES SURVEYS

2.1. Pre-application Meeting

Pre-application meeting with USACE, IEPA, and IDNR and possibly other agencies, as appropriate.

- Discuss scope of projects, acceptable field protocols, and permitting requirements.
- Discuss mitigation options
 - Possible use of banks with adjacent service areas.
 - Discuss a third party being responsible for the mitigation.
- Discuss permit application requirements.
- Discuss schedule and agency review and approval timeline.

2.2. Ecological Field Reconnaissance and Wetland Delineations/Reports

Field review of project areas and delineations of potentially regulated wetlands, streams, ponds, or other surface waters.

- Identify and delineate wetlands and surface waters within the projects' "limits of disturbance" as shown on 30% design drawings.
- Record boundaries of surface waters and wetlands using sub-meter hand-held GPS units.
- Photograph and complete USACE delineation data sheets on all delineated wetlands.
- Complete Wetland Delineation Report for each of the three levee systems (Wood River, MESD, and Prairie du Pont/Fish Lake)
- Submit Wetland Delineation Reports to the USACE for concurrence with delineated features and jurisdictional determinations within one month of completing wetlands delineation field work.
- Accompany USACE in the field to verify wetland boundaries (one 2-person team for one week).

Assumptions:

- USACE will accept sub-meter GPS to record wetland boundaries. A wetland boundary survey by a licensed surveyor will not be required.

2.3. Coordination with U.S. Fish & Wildlife Service (USFWS) and Illinois Department of Natural Resources (IDNR)

Coordinate with both the USFWS and the IDNR to determine if Federally- or State-listed species are likely to be impacted by the project.

- Request information from USFWS and IDNR pertaining to threatened & endangered species.
- Assess potential for threatened and endangered species habitat during field reconnaissance and wetland delineations.

Assumptions:

- No species specific surveys are required during the permitting process

2.4. Wetland Mitigation Site Selection

- Meeting and coordination with USACE to determine mitigation requirements and potential mitigation site(s) within the levee-specific drainage basin.

Assumptions:

- Mitigation site(s) will be selected from previously USACE-identified potential sites or client-identified potential sites.
- Potential sites have adequate soils and hydrology to provide for wetland mitigation.
- Cost of property is not included in this scope.

2.5. Joint Permit Application Preparation and Submittal (USACE, IEPA, IDNR)

Prepare and submit joint applications to USACE, IDNR, and the IEPA for impacts to waterways, floodplains, and wetlands as a result of the projects along the three levee systems.

- Required permits include: CWA Section 404/State 401 WQC and IDNR Floodplain permit
- Separate applications will be submitted for each of the three levee systems.
- 60% plans will be adequate for permit submittal.
- Applications will be submitted within 60 days of approved 60% plans.
- AMEC representatives will attend up to two (2) public and/or agency meetings, if necessary, during the permitting process.
- Permits may be submitted prior to finalizing Wetland Mitigation Plan(s). Final mitigation plans will continue to be developed following permit submittal.
- Wetland Mitigation Plan(s) must be complete for applications to be considered complete.

Assumptions:

- USACE will accept proposed mitigation plan to compensate for wetland impacts caused by the project.
- Completion of National Environmental Policy Act (NEPA) documentation is not part of this proposal.

2.6. NPDES Construction Permit Application and Submittal

Develop and submit a Storm Water Pollution Prevention Plan (SWPPP) along with the Notice of Intent (NOI) for the projects to Illinois Environmental Protection Agency (IEPA).

- SWPPP Development
- Submittal of NOI.

Assumptions:

- Erosion and sediment control (ESC) will be included on engineering design plans.
- Construction activities may be covered under the General NPDES Permit for Storm Water Discharges from Construction Site Activities.
- Only one SWPPP will be required for each of the three levee systems.

3. LAND SURVEYS

- 3.1. Prepare land-based topographic surveys to locate limits of wetlands, physical features, ground elevations and improvements to supplement aerial photos and Lidar survey data.
- 3.2. Prepare boundary surveys for those properties that will require fee simple ROW acquisition, to include:
 - obtain a title commitment (in anticipation of the purchase of title insurance)
 - prepare a property boundary survey meeting the minimum standards of an “Urban Class Boundary Survey” or ALTA/ASCM land title survey
- 3.3. Prepare strip map surveys for those properties that will require an easement for ROW acquisition, to include:
 - obtain an informational title commitment (no title insurance)
 - prepare a property boundary survey meeting the minimum standards of an “Urban Class Boundary Survey” or ALTA/ASCM land title survey
- 3.4. Prepare permanent easement and temporary construction easement (TCE) acquisition documents, to include:
 - recordable exhibit
 - legal description
 - permanent easement language
 - TCE language
 - calculate area to be acquired

4. CONTINUED UNDERSEEPAGE ANALYSIS

4.1. Based on value engineering comments and identification of reaches where more sophisticated modeling indicates potentially significant construction savings, conduct additional 2D and 3D models to evaluate alternatives and refine solutions. The following areas are included:

- Tri-City Port, where the harbor alteration plans have recently been provided to AMEC and a review of underseepage conditions and solutions is necessary.
- Proposed 40-foot cutoff area, where the continuity of the clay layer needs to be confirmed, toe drain condition assessed, and underseepage solutions further evaluated.
- The Conoco-Phillips deep cutoff wall.
- Areas north and south of Cargill Road, where the toe drain solution must be verified at additional reaches.
- Deep cutoff walls at the Cahokia pump station.
- Berms north of the new interstate bridge, where the current berm footprint conflicts with the bridge approach.
- Hybrid (berm and relief well) solutions for areas where space is limited.
- Correlations with existing piezometric data will continue to be used to validate modeling and models will utilize the latest aquifer permeability information
- Evaluate water berm solution PDP 560 to 620.
- Evaluate use of reliefs and/or drains at LWR 132 to 152, in lieu of deep cutoff wall.
- 2-D model to confirm current operating levels at Wood River pump station will be sufficient and determine if gravel blanket is required.
- 2-D model to evaluate gravel blanket at borrow pit LWR 538 to 546.
- Conduct 2-D model to evaluate replacing berm with gravel filter at LWR 584-592.

5. CUTOFF WALL SOLUTIONS

5.1. Geotechnical Analysis and Design

- Based on the need for an additional cutoff wall from approximately Station 1304 to 1319 in MESD, we will prepare a geotechnical data report for this reach
- Evaluate riverside borings at new proposed cutoff wall locations in Wood River and MESD, and prepare geotechnical data report
- Data report will contain information about bedrock depths and characteristics, overburden soil types, profile and cross sections, laboratory test results, and an identification of utilities
- Meet with the USACE personnel to coordinate design and construction methodologies and the Corps authorized protection design

5.2. Evaluate SWILFPDC/contractor risk allocation and identify high return contractor risk reduction tasks, to include:

- meet with cutoff wall contractors
- meet with SWILFPDC to discuss risk allocation

5.3. Evaluate constraints and develop a cut-off wall schedule, to include:

- design duration
- permitting duration
- construction duration
- periods of high river levels
- funding availability

5.4. Prepare 60% complete utility relocation construction documents for non utility company relocated utilities, to include:

- construction drawings
- specifications
- construction cost estimate

5.5. Coordinate utility relocations for utility company relocated utilities, to include:

- coordinate conflict resolution
- coordinate schedule
- coordinate relocation cost

5.6. DESIGN-BUILD REQUEST FOR PROPOSAL

5.6.1. Prepare design-build cutoff wall drawings, to include:

- limits of existing right-of-way
- limits of new right-of-way
- limits of temporary construction easements
- limits of wetlands and limits of assumed wetland disturbance
- aerial photo background
- topographic information (existing contours and utilities)
- horizontal and vertical alignment of cutoff wall

The design-build cutoff wall drawings will be suitable for 404/401 regulatory permitting.

5.6.2. Prepare a 60% complete Design-Build Request for Proposal (RFP) package, to include:

- RFP advertisement document
- proposal terms & conditions
- proposal submittal process & requirements
- selection criteria & weightings
- selection & construction schedule
- post award requirements (design, construction documents, construction)
- description/quantification/scope of work (including cutoff wall exhibits)
- performance specification
- project controls
- design-build contract language

6. SEEPAGE BERM / CLAY CAP / FILL SOLUTIONS

6.1. The proposed 30% design solutions will be reviewed in conjunction with the other underseepage solutions planned and the through-seepage alternative solutions will be evaluated to provide a constructible and efficient approach

6.2. Identify available sources of borrow material, evaluate requirements and determine a cost effective approach within time constraints, to include:

- haul from local sand pits
- hydraulic fill pumped from river
- temporary/mobile docking facilities to offload barges

6.3. Prepare 60% complete utility relocation construction documents for non utility company relocated utilities, to include:

- construction drawings
- specifications
- construction cost estimate

6.4. Coordinate utility relocations for utility company relocated utilities, to include:

- coordinate conflict resolution
- coordinate schedule
- coordinate relocation cost

6.5. DESIGN-BID-BUILD CONSTRUCTION DOCUMENTS

6.5.1. Prepare 60% complete seepage berm / clay cap / gravel ditch fill construction drawings, to include:

- limits of existing right-of-way
- limits of new right-of-way
- limits of temporary construction easements
- limits of wetlands and limits of assumed wetland disturbance
- aerial photo background
- topographic information (existing contours and utilities)
- length, width, depth and location of seepage berms
- length, height and location of clay blankets
- length and location of gravel ditch fill
- appurtenant ditching, road relocation, etc.

The 60% complete seepage berm / clay cap / fill construction drawings will be suitable for 404/401 regulatory permitting.

6.5.2. Prepare a 60% complete seepage berm / clay cap / fill specifications.

6.5.3. Based on the 60% complete construction documents, prepare a construction cost estimate.

7. RELIEF WELL SOLUTIONS (NEW & REHABILITATED)

7.1. GEOTECHNICAL ANALYSIS AND DESIGN

7.1.1. Confirm re-use or abandonment of existing Relief Wells. Relief well pump test results will be checked for sanding and percent efficiency compared to original specific capacity. The results will be compared to AMEC's design concept and analyses updated with the existing well's aquifer penetration, percent efficiency and discharge elevation.

7.1.2. Evaluate Aquifer Permeability Characteristics using two techniques.

- Evaluate specific capacity results of each relief well specific capacity test using TM 3-430 methodology to assist in determination of aquifer permeability
- Evaluate 2-hr pump test results using late-recovery head data to assess aquifer permeability

7.1.3. Review and select reasonable design aquifer permeability.

7.1.4. Re-evaluate underseepage control needs on a reach by reach basis to incorporate relief well pump test and aquifer test results.

7.1.5. Meet with USACE staff and Levee Districts to review results and well repair plans.

7.1.6. Prepare specification for abandonment of unneeded or deficient relief wells.

7.1.7. Prepare specification for installation of new relief wells.

7.2. Prepare 60% complete utility relocation construction documents, to include:

- construction drawings
- specifications
- construction cost estimate

7.3. Prepare 60% complete utility relocation construction documents for non utility company relocated utilities, to include:

- construction drawings
- specifications
- construction cost estimate

7.4. Coordinate utility relocations for utility company relocated utilities, to include:

- coordinate conflict resolution
- coordinate schedule
- coordinate relocation cost

7.5. DESIGN-BID-BUILD CONSTRUCTION DOCUMENTS

7.5.1. Prepare 60% complete relief well construction drawings, to include:

- limits of existing right-of-way
- limits of new right-of-way
- limits of temporary construction easements
- limits of wetlands and limits of assumed wetland disturbance
- aerial photo background
- topographic information (existing contours and utilities)
- existing relief wells to be abandoned

- existing relief wells to be rehabilitated
- existing relief wells to be rehabilitated and converted from D type to T type
- new D type and new T type relief wells
- appurtenant relief well discharge ditching, conveyance, storage, etc.

The 60% complete relief well construction drawings will be suitable for 404/401 regulatory permitting.

7.5.2. Prepare a 60% complete relief well specifications.

7.5.3. Based on the 60% complete construction documents, prepare a construction cost estimate.

8. GENERAL CIVIL IMPROVEMENTS (EXISTING PUMP STATION UPGRADES, NEW/RELOCATED PUMP STATIONS, GRAVITY DRAIN REHABILITATION)

8.1. DESIGN-BID-BUILD CONSTRUCTION DOCUMENTS

8.1.1. Prepare 60% complete stand-alone civil construction drawings, to include:

- limits of existing right-of-way
- limits of new right-of-way
- limits of temporary construction easements
- limits of wetlands and limits of assumed wetland disturbance
- aerial photo background
- topographic information (existing contours and utilities)
- existing pump station upgrades
- new/relocated pump stations
- gravity drain rehabilitation
- appurtenant ditching, road relocation, etc.

The 60% complete stand-alone civil construction drawings will be suitable for 404/401 regulatory permitting.

8.1.2. Prepare a 60% complete stand-alone civil specification.

8.1.3. Based on the 60% complete construction documents, prepare a construction cost estimate.

9. STAKEHOLDER COORDINATION

- 9.1. Meet with the Council to present the 60% complete design.
- 9.2. Attend one public meeting to present the 60% complete design.
- 9.3. Attend one meeting with each of the three levee districts to present the 60% complete design.
- 9.4. Attend one meeting with the Council oversight team to discuss responses to their value engineering effort.
- 9.5. Attend coordination meetings with the USACE.



Memo to: Board of Directors

From: Les Serman

Subject: Authorization to Execute Agreement with the Department of the Army for the Rehabilitation and Reconstruction Feasibility Study of the Prairie DuPont and Fish Lake Levee Systems

Date: April 18, 2011

Much of the focus of work to-date by the Corps of Engineers has been on design deficiencies, mainly concerning underseepage. However, the Corps also has the ability to fund a separate category of levee improvements known as rehabilitation and reconstruction. Such improvements are done under a separate program and require a different feasibility study (as distinct from the “limited reevaluation report” that is the principal project development document for design deficiency projects). Rehabilitation and reconstruction projects typically involve pump stations, gravity drains and closure structures.

The Corps is proposing to undertake a feasibility study for rehabilitation and reconstruction of the Prairie DuPont and Fish Lake levee systems. The cost-share for the study is 50% and the entire cost of the study is estimated at \$900,000. In order to proceed with this project, we must first enter into an agreement with the Corps to provide the necessary cost-share. A copy of the proposed agreement is attached. It is similar to existing agreements with the Wood River and MESD districts.

This agreement is not an open-ended commitment to provide cost-share with every federal appropriation to the project. The Council can make a decision once a specific appropriation is made and a request from the Corps is received. The agreement is a precursor to any federal appropriation for the project.

Much of the work required for the feasibility study is already being done by the Council’s design consultants. Once the agreement is signed, our work may be eligible as work-in-kind to be counted toward the cost-share requirement.

While I believe it is certainly in our interest to execute this agreement, it may never be needed. The rehabilitation and reconstruction aspects of our project are not going to be substantial in PdP/FL, and if we maintain our schedule, it is likely that this work will be done long before any federal funding is forthcoming. If that turns out to be the case, it may not be in the Council’s interest to provide any cash cost-share for the feasibility study. However, those are decisions that can be made in the future. This agreement will preserve our flexibility to make appropriate choices in the future.

Recommendation: Authorize the Chief Supervisor to execute the feasibility cost-share agreement for the Prairie DuPont/Fish Lake levee systems with the Department of the Army. The Board will separately approve any expenditure under this agreement.

AGREEMENT
BETWEEN
THE DEPARTMENT OF THE ARMY
AND
THE SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
FOR THE
PRAIRIE DU PONT AND FISH LAKE, ILLINOIS
REHABILITATION AND RECONSTRUCTION FEASIBILITY STUDY

THIS AGREEMENT is entered into this _____ day of _____, _____, by and between the Department of the Army (hereinafter the “Government”), represented by the U.S. Army Engineer, St. Louis District (hereinafter “District Engineer”) and the Southwestern Illinois Flood Prevention District Council (hereinafter “Non-Federal Sponsor”) represented by the Chief Supervisor of Construction and the Works.

WITNESSETH, THAT:

WHEREAS, the Corps of Engineers is authorized to conduct a feasibility study of the cost to rehabilitate and or reconstruct flood protection features associated with the Prairie du Pont and Fish Lake Drainage and Levee Districts. These features include, but are not limited to pump stations, gravity drains, and closure structures pursuant to Section 102(a)(8) of the Water Resources Development Act of 2000 (WRDA 2000); Reconstruction of Illinois and Missouri Flood Protection Projects.

WHEREAS, prior to proceeding with such feasibility study, the U.S. Army Corps of Engineers conducted a reconnaissance study and determined that further planning in the nature of a feasibility study should proceed;

WHEREAS, the Government and the Non-Federal Sponsor desire to enter into an agreement (hereinafter the “Agreement”) to conduct such feasibility study (hereinafter the “Study” as defined in Article I.A. of this Agreement);

WHEREAS, Section 105(a) of the Water Resources Development Act of 1986, Public Law 99-662, as amended (33 U.S.C. 2215(a)), specifies the cost-sharing requirements applicable to the *Study*;

WHEREAS, the Non-Federal Sponsor desires to provide in-kind contributions (hereinafter the “*non-Federal in-kind contributions*” as defined in Article I.K. of this Agreement) that are necessary to prepare the feasibility report and to receive credit for such contributions toward the amount of its required contribution for the *Study*;

WHEREAS, the Non-Federal Sponsor may provide up to 100 percent of its required contribution for the *Study* as *non-Federal in-kind contributions*;

WHEREAS, the Government and Non-Federal Sponsor have the full authority and capability to perform as hereinafter set forth and intend to cooperate in cost-sharing and financing of the *Study* in accordance with the terms of this Agreement; and

WHEREAS, the Government and the Non-Federal Sponsor, in connection with this Agreement, desire to foster a partnering strategy and a working relationship between the Government and the Non-Federal Sponsor through a mutually developed formal strategy of commitment and communication embodied herein, which creates an environment where trust and teamwork prevent disputes, foster a cooperative bond between the Government and the Non-Federal Sponsor, and facilitate the successful *Study*.

NOW, THEREFORE, the Government and the Non-Federal Sponsor agree as follows:

ARTICLE I – DEFINITIONS

A. The term “*Study*” shall mean the activities and tasks required to identify and evaluate alternatives and the preparation of a decision document that, when appropriate, recommends a coordinated and implementable solution for the reconstruction of flood damage reduction features, caused by long-term degradation of the foundation, construction materials, or engineering systems or components at Prairie du Pont Drainage and Levee District, Monroe County IL and Fish Lake Drainage Levee District, St. Claire County, IL, as generally described in the Prairie Du Pont and Fish Lake Flood Protection Project Mississippi River St. Clair and Monroe Counties, Illinois Section 905(b) (WRDA_86), approved by Commander, Mississippi Valley Division in August 2004. The term includes the *non-Federal in-kind contributions* described in paragraph K. of this Article.

B. The term “*total study costs*” shall mean the sum of all costs incurred by the Non-Federal Sponsor and the Government in accordance with the terms of this Agreement directly related to performance of the *Study*. Subject to the provisions of this Agreement, the term shall include, but is not necessarily limited to: the Government’s costs of plan formulation and evaluation, including applicable economic, engineering, real estate, and environmental analyses; the Government’s costs of preparation of the decision document for the *Study*; the costs of the *non-Federal in-kind contributions* determined in accordance with Article II.E. of this Agreement; the Government’s costs of agency technical review and other review processes required by the Government; the Government’s costs of independent external peer review, if required; the Government’s supervision and administration costs; the Non-Federal Sponsor’s and the Government’s costs of participation in the Study Coordination Team in accordance with Article III of this Agreement; the Government’s costs of contract dispute settlements or awards; and the Non-Federal Sponsor’s and the Government’s costs of audit in accordance with Article VI.B. and Article VI.C. of this Agreement. The term does not include any costs of dispute resolution under Article V of this

Agreement; any costs incurred as part of reconnaissance studies; any costs incurred as part of feasibility studies under any other agreement; the Non-Federal Sponsor's costs of negotiating this Agreement; or any costs of negotiating a design agreement for a project or separable element thereof.

C. The term “*study costs to be shared during the period of study*” shall mean the difference between *total study costs* and *excess study costs*.

D. The term “*excess study costs*” shall mean the difference between the most recent estimate of *total study costs* and the amount of *total study costs* specified in Article IV.A.1. of this Agreement, excluding any increase in *total study costs* that resulted from a change in Federal law or a change in the scope of the *Study* requested by the Non-Federal Sponsor or any increase in *total study costs* that otherwise was agreed upon in writing by the parties.

E. The term “*period of study*” shall mean the time from the effective date of this Agreement to the date that:

1. the Assistant Secretary of the Army (Civil Works) submits the feasibility report to the Office of Management and Budget (OMB) for review for consistency with policies and programs of the Administration, if the project or project modification that is the subject of this *Study* will require further Congressional authorization to implement the recommended plan; or

2. the decision document for the study is duly approved by the Government, if the project or project modification that is the subject of this *Study* will not require further Congressional authorization to implement the recommended plan; or

3. the date that this Agreement is terminated in accordance with Article IX of this Agreement.

F. The term “*financial obligations to be shared during the period of study*” shall mean the financial obligations of the Government and the costs for the *non-Federal in-kind contributions*, as determined by the Government, that result or would result in costs that are or would be included in *study costs to be shared during the period of study*.

G. The term “*non-Federal proportionate share*” shall mean the ratio of the sum of the costs included in *study costs to be shared during the period of study* for the *non-Federal in-kind contributions*, as determined by the Government, and the Non-Federal Sponsor's total contribution of funds required by Article II.C.1.b. of this Agreement to *financial obligations to be shared during the period of study*, as projected by the Government.

H. The term “*Federal program funds*” shall mean funds provided by a Federal agency, other than the Department of the Army, plus any non-Federal contribution required as a matching share therefore.

I. The term “*fiscal year*” shall mean one year beginning on October 1 and ending on September 30.

J. The term “*PMP*” shall mean the project management plan, and any modifications thereto, developed by the Government, and agreed to by the Non-Federal Sponsor, that specifies the scope, cost, and schedule for *Study* activities and guides the performance of the *Study* through the *period of study*.

K. The term “*non-Federal in-kind contributions*” shall mean planning, supervision and administration, services, materials, supplies, and other in-kind services that are performed or provided by the Non-Federal Sponsor after the effective date of this Agreement in accordance with the *PMP* and that are necessary for performance of the *Study*.

L. The term “*fiscal year of the Non-Federal Sponsor*” shall mean one year beginning on October 1st and ending on September 30th.

ARTICLE II - OBLIGATIONS OF THE GOVERNMENT AND THE NON-FEDERAL SPONSOR

A. The Government, subject to receiving funds appropriated by the Congress of the United States (hereinafter the “Congress”) and using those funds and funds provided by the Non-Federal Sponsor, expeditiously shall conduct the *Study*, applying those procedures usually applied to Federal projects, in accordance with Federal laws, regulations, and policies. The Non-Federal Sponsor expeditiously shall perform or provide the *non-Federal in-kind contributions* in accordance with applicable Federal laws, regulations, and policies.

1. The Government shall not issue the solicitation for the first contract for the *Study* or commence the *Study* using the Government’s own forces until the Non-Federal Sponsor has confirmed in writing its willingness to proceed with the *Study*.

2. To the extent possible, the Government and the Non-Federal Sponsor shall conduct the *Study* in accordance with the *PMP*.

3. The Government shall afford the Non-Federal Sponsors the opportunity to review and comment on all products that are developed by contract or by Government personnel during the *period of study*. The Government shall consider in good faith the comments of the Non-Federal Sponsor, but the final approval of all *Study* products shall be exclusively within the control of the Government.

4. The Government shall afford the Non-Federal Sponsor the opportunity to review and comment on the solicitations for all Government contracts, including relevant scopes of work, prior to the Government’s issuance of such solicitations. To the extent possible, the Government shall afford the Non-Federal Sponsor the opportunity to review and comment on all proposed contract modifications, including change orders. In any instance where providing the Non-Federal

Sponsor with notification of a contract modification is not possible prior to execution of the contract modification, the Government shall provide such notification in writing at the earliest date possible. To the extent possible, the Government also shall afford the Non-Federal Sponsor the opportunity to review and comment on all contract claims prior to resolution thereof. The Government shall consider in good faith the comments of the Non-Federal Sponsor, but the contents of solicitations, award of contracts or commencement of work on the *Study* using the Government's own forces, execution of contract modifications, resolution of contract claims, and performance of all work on the *Study*, except for the *non-Federal in-kind contributions*, shall be exclusively within the control of the Government.

5. At the time the District Engineer furnishes the contractor with the Government's Written Notice of Acceptance of Completed Work for each contract awarded by the Government for the *Study*, the District Engineer shall furnish a copy thereof to the Non-Federal Sponsor.

6. The Non-Federal Sponsor shall afford the Government the opportunity to review and comment on the solicitations for all contracts for the *non-Federal in-kind contributions*, including relevant scopes of work, prior to the Non-Federal Sponsor's issuance of such solicitations. To the extent possible, the Non-Federal Sponsor shall afford the Government the opportunity to review and comment on all proposed contract modifications, including change orders. In any instance where providing the Government with notification of a contract modification is not possible prior to execution of the contract modification, the Non-Federal Sponsor shall provide such notification in writing at the earliest date possible. To the extent possible, the Non-Federal Sponsor also shall afford the Government the opportunity to review and comment on all contract claims prior to resolution thereof. The Non-Federal Sponsor shall consider in good faith the comments of the Government but the contents of solicitations, award of contracts or commencement of work on the *Study* using the Non-Federal Sponsor's own forces, execution of contract modifications, resolution of contract claims, and performance of all work on the *non-Federal in-kind contributions* shall be exclusively within the control of the Non-Federal Sponsor.

7. At the time the Non-Federal Sponsor furnishes a contractor with a notice of acceptance of completed work for each contract awarded by the Non-Federal Sponsor for the *non-Federal in-kind contributions*, the Non-Federal Sponsor shall furnish a copy thereof to the Government.

8. Notwithstanding paragraph A.4. and paragraph A.6., if the award of any contract for work on the *Study*, or continuation of work on the *Study* using the Government's or the Non-Federal Sponsor's own forces, would result in *excess study costs*, the Government and the Non-Federal Sponsor agree to defer award of that contract, award of all remaining contracts for work on the *Study*, and continuation of work on the *Study* using the Government's or the Non-Federal Sponsor's own forces until such time as the Government and the Non-Federal Sponsor agree in writing to proceed with further contract awards for the *Study* or the continuation of work on the *Study* using the Government's or the Non-Federal Sponsor's own forces, but in no event shall the award of contracts or the continuation of work on the *Study* using the Government's or the Non-Federal Sponsor's own forces be deferred for more than six months. If the Government

and the Non-Federal Sponsor agree to not proceed or fail to reach agreement on proceeding with further contract awards for the *Study*, or the continuation of work on the *Study* using the Government's or the Non-Federal Sponsor's own forces, the parties shall terminate this Agreement and proceed in accordance with Article IX.D. of this Agreement.

9. As of the effective date of this Agreement, \$100,000 of Federal funds is currently projected to be available for the *Study*. The Government makes no commitment to request Congress to provide additional Federal funds for the *Study*. Further, the Government's financial participation in the *Study* is limited to the Federal funds that the Government makes available to the *Study*.

B. The Government shall allocate *total study costs* between *study costs to be shared during the period of study* and *excess study costs*.

C. The Non-Federal Sponsor shall contribute 50 percent of *study costs to be shared during the period of study* in accordance with the provisions of this paragraph.

1. The Non-Federal Sponsor shall provide a contribution of funds as determined below:

a. If the Government projects at any time that the collective value of the Non-Federal Sponsor's contributions under Article III and Article VI of this Agreement will be less than the Non-Federal Sponsor's required share of 50 percent of *study costs to be shared during the period of study*, the Government shall determine the amount of funds that would be necessary to meet the Non-Federal Sponsor's required share prior to any consideration of the credit the Government projects will be afforded for the *non-Federal in-kind contributions* pursuant to paragraph F. of this Article.

b. The Non-Federal Sponsor shall provide funds in the amount determined by this paragraph in accordance with Article IV.B. of this Agreement. To determine the contribution of funds the Non-Federal Sponsor shall provide, the Government shall reduce the amount determined in accordance with paragraph C.1.a. of this Article by the amount of credit the Government projects will be afforded for the *non-Federal in-kind contributions* pursuant to paragraph F. of this Article.

2. The Government, subject to the availability of funds and as limited by paragraph G. of this Article, shall refund or reimburse to the Non-Federal Sponsor any contributions in excess of 50 percent of *study costs to be shared during the period of study* if the Government determines at any time that the collective value of the following contributions has exceeded 50 percent of *study costs to be shared during the period of study*: (a) the value of the Non-Federal Sponsor's contributions under paragraph C.1.b. of this Article; (b) the amount of credit to be afforded for the *non-Federal in-kind contributions* pursuant to paragraph F. of this Article; and (c) the value of the Non-Federal Sponsor's contributions under Article III and Article VI of this Agreement.

D. The Non-Federal Sponsor shall contribute 50 percent of *excess study costs* in accordance with the provisions of this paragraph.

1. The Government shall determine the amount of funds that would be necessary to meet the Non-Federal Sponsor's required share prior to any consideration of the credit the Government projects will be afforded for the *non-Federal in-kind contributions* pursuant to paragraph F. of this Article.

2. The Non-Federal Sponsor shall provide funds in the amount determined by this paragraph in accordance with Article IV.C.3. of this Agreement. To determine the contribution of funds the Non-Federal Sponsor shall provide, the Government shall reduce the amount determined in accordance with paragraph D.1. of this Article by the amount of credit the Government projects will be afforded for the *non-Federal in-kind contributions* pursuant to paragraph F. of this Article.

E. The Government shall determine and include in *total study costs* any costs incurred by the Non-Federal Sponsor for *non-Federal in-kind contributions*, subject to the conditions and limitations of this paragraph. The Non-Federal Sponsor in a timely manner shall provide the Government with such documents as are sufficient to enable the Government to determine the amount of costs to be included in *total study costs* for *non-Federal in-kind contributions*.

1. Acceptance by the Government of *non-Federal in-kind contributions* shall be subject to a review by the Government to verify that all economic, engineering, real estate, and environmental analyses or other items performed or provided as *non-Federal in-kind contributions* are accomplished in a satisfactory manner and in accordance with applicable Federal laws, regulations, and policies, and to verify that all analyses, services, materials, supplies, and other in-kind services provided as *non-Federal in-kind contributions* are necessary for the *Study*.

2. The Non-Federal Sponsor's costs for *non-Federal in-kind contributions* that may be eligible for inclusion in *total study costs* pursuant to this Agreement shall be subject to an audit in accordance with Article VI.C. of this Agreement to determine the reasonableness, allocability, and allowability of such costs.

3. The Non-Federal Sponsor's costs for *non-Federal in-kind contributions* that may be eligible for inclusion in *total study costs* pursuant to this Agreement are not subject to interest charges, nor are they subject to adjustment to reflect changes in price levels between the time the *non-Federal in-kind contributions* are provided and the time the costs are included in *total study costs*.

4. The Government shall not include in *total study costs* any costs for *non-Federal in-kind contributions* paid by the Non-Federal Sponsor using *Federal program funds* unless the Federal agency providing the Federal portion of such funds verifies in writing that expenditure of such funds for such purpose is expressly authorized by Federal law.

5. The Government shall not include in *total study costs* any costs for *non-Federal in-kind contributions* in excess of the Government's estimate of the costs of the *non-Federal in-kind contributions* if the services, materials, supplies, and other in-kind services had been provided by the Government.

F. The Government, in accordance with this paragraph, shall afford credit toward the amount of funds determined in accordance with paragraph C.1.a. and paragraph D.1. of this Article for the costs of the *non-Federal in-kind contributions* determined in accordance with paragraph E. of this Article. The credit for *non-Federal in-kind contributions* first shall be afforded toward the amount of funds determined in accordance with paragraph C.1.a. of this Article. If the amount of credit afforded exceeds the amount of funds determined in accordance with paragraph C.1.a. of this Article, the remaining portion of credit to be afforded shall be afforded toward the amount of funds determined in accordance with paragraph D.1. of this Article. However, the maximum amount of credit that can be afforded for the *non-Federal in-kind contributions* shall not exceed the least of the following amounts as determined by the Government: the amount of funds determined in accordance with paragraph C.1.a. and paragraph D.1. of this Article; the costs of the *non-Federal in-kind contributions* determined in accordance with paragraph E. of this Article; or 50 percent of *total study costs*.

G. Notwithstanding any other provision of this Agreement, the Non-Federal Sponsor shall not be entitled to reimbursement of any costs of *non-Federal in-kind contributions* determined in accordance with paragraph E. of this Article and included in *total study costs* that exceed the amount of credit afforded for the *non-Federal in-kind contributions* determined in accordance with paragraph F. of this Article and the Non-Federal Sponsor shall be responsible for 100 percent of all costs of *non-Federal in-kind contributions* included in *total study costs* that exceed the amount of credit afforded.

H. Upon conclusion of the *period of study*, the Government shall conduct an accounting, in accordance with Article IV.C. of this Agreement, and furnish the results to the Non-Federal Sponsor.

I. The Non-Federal Sponsor shall not use *Federal program funds* to meet any of its obligations for the *Study* under this Agreement unless the Federal agency providing the Federal portion of such funds verifies in writing that expenditure of such funds for such purpose is expressly authorized by Federal law.

J. This Agreement shall not be construed as obligating either party to implement a project. Whether the Government supports a project authorization, if authorization is required, and budgets for implementation of the project depends upon, among other things, the outcome of the *Study* and whether the proposed solution is consistent with the Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies and with the budget priorities of the Administration.

ARTICLE III - STUDY COORDINATION TEAM

A. To provide for consistent and effective communication, the Non-Federal Sponsor and the Government, not later than 30 calendar days after the effective date of this Agreement, shall appoint named senior representatives to a Study Coordination Team. Thereafter, the Study Coordination Team shall meet regularly until the end of the *period of study*. The Government's Project Manager and a counterpart named by the Non-Federal Sponsor shall co-chair the Study Coordination Team.

B. The Government's Project Manager and the Non-Federal Sponsor's counterpart shall keep the Study Coordination Team informed of the progress of the *Study* and of significant pending issues and actions, and shall seek the views of the Study Coordination Team on matters that the Study Coordination Team generally oversees.

C. Until the end of the *period of study*, the Study Coordination Team shall generally oversee the *Study*, including matters related to: plan formulation and evaluation, including applicable economic, engineering, real estate, and environmental analyses; scheduling of reports and work products; independent technical review and other review processes required by the Government; external peer review, if required; completion of all necessary environmental coordination and documentation; contract awards and modifications; contract costs; the Government's cost projections; the performance of and scheduling for the *non-Federal in-kind contributions*; determination of anticipated future requirements for real property and relocation requirements and performance of operation, maintenance, repair, rehabilitation, and replacement of the proposed project including anticipated requirements for permits; and other matters related to the *Study*. This oversight of the *Study* shall be consistent with the *PMP*.

D. The Study Coordination Team may make recommendations to the District Engineer on matters related to the *Study* that the Study Coordination Team generally oversees, including suggestions to avoid potential sources of dispute. The Government in good faith shall consider the recommendations of the Study Coordination Team. The Government, having the legal authority and responsibility for performance of the *Study* except for the *non-Federal in-kind contributions*, has the discretion to accept or reject, in whole or in part, the Study Coordination Team's recommendations. On matters related to the *non-Federal in-kind contributions*, that the Study Coordination Team generally oversees, the Study Coordination Team may make recommendations to the Non-Federal Sponsor including suggestions to avoid potential sources of dispute. The Non-Federal Sponsor in good faith shall consider the recommendations of the Study Coordination Team. The Non-Federal Sponsor, having the legal authority and responsibility for the *non-Federal in-kind contributions*, has the discretion to accept or reject, in whole or in part, the Study Coordination Team's recommendations except as otherwise required by the provisions of this Agreement, including compliance with applicable Federal, State, or local laws or regulations.

E. The Non-Federal Sponsor's costs of participation in the Study Coordination Team shall be included in *total study costs* and shared in accordance with the provisions of this Agreement, subject to an audit in accordance with Article VI.C. of this Agreement to determine

reasonableness, allocability, and allowability of such costs. The Government's costs of participation in the Study Coordination Team shall be included in *total study costs* and shared in accordance with the provisions of this Agreement.

ARTICLE IV - METHOD OF PAYMENT

A. In accordance with the provisions of this paragraph, the Government shall maintain current records and provide to the Non-Federal Sponsor current projections of costs, financial obligations, the contributions provided by the parties, the costs included in *total study costs* for the *non-Federal in-kind contributions* determined in accordance with Article II.E. of this Agreement, and the credit to be afforded for the *non-Federal in-kind contributions* pursuant to Article II.F. of this Agreement.

1. As of the effective date of this Agreement, *total study costs* are projected to be \$900,000; the amount of funds determined in accordance with Article II.C.1.a. of this Agreement is projected to be \$450,000; the costs included in *total study costs* for the *non-Federal in-kind contributions* determined in accordance with Article II.E. of this Agreement are projected to be \$450,000; the credit to be afforded for the *non-Federal in-kind contributions* pursuant to Article II.F. of this Agreement is projected to be \$450,000; the Non-Federal Sponsor's contribution of funds required by Article II.C.1.b. of this Agreement is projected to be \$0; and the *non-Federal proportionate share* is projected to be 50 percent. These amounts and percentage are estimates subject to adjustment by the Government, after consultation with the Non-Federal Sponsor, and are not to be construed as the total financial responsibilities of the Government and the Non-Federal Sponsor.

2. By July 1st and by each quarterly anniversary thereof until the conclusion of the *period of study* and resolution of all relevant claims and appeals, the Government shall provide the Non-Federal Sponsor with a report setting forth all contributions provided to date and the current projections of the following: *total study costs*; *study costs to be shared during the period of study*; the amount of funds determined in accordance with Article II.C.1.a. of this Agreement; the Non-Federal Sponsor's contribution of funds required by Article II.C.1.b. of this Agreement; *excess study costs*; the amount of funds determined in accordance with Article II.D.1. of this Agreement; the Non-Federal Sponsor's contribution of funds required by Article II.D.2. of this Agreement; the costs included in *total study costs* for the *non-Federal in-kind contributions* determined in accordance with Article II.E. of this Agreement; the credit to be afforded for the *non-Federal in-kind contributions* pursuant to Article II.F. of this Agreement; and the *non-Federal proportionate share*.

B. The Non-Federal Sponsor shall provide the contribution of funds required by Article II.C.1.b. of this Agreement in accordance with the provisions of this paragraph.

1. Not less than 30 calendar days prior to the scheduled date for issuance of the solicitation for the first contract for work on the *Study* or commencement of work on the *Study*

using the Government's own forces, the Government shall notify the Non-Federal Sponsor in writing of such scheduled date and the funds the Government determines to be required from the Non-Federal Sponsor to meet: (a) the *non-Federal proportionate share of financial obligations to be shared during the period of study* incurred prior to the commencement of the *period of study*; (b) the projected *non-Federal proportionate share of financial obligations to be shared during the period of study* to be incurred for such contract; and (c) the projected *non-Federal proportionate share of financial obligations to be shared during the period of study* using the Government's own forces through the first *fiscal year*. Not later than such scheduled date, the Non-Federal Sponsor shall provide the Government with the full amount of such required funds by delivering a check payable to "FAO, USAED, St. Louis District, EROC B3" to the District Engineer, or verifying to the satisfaction of the Government that the Non-Federal Sponsor has deposited such required funds in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor, or by presenting the Government with an irrevocable letter of credit acceptable to the Government for such required funds, or by providing an Electronic Funds Transfer of such required funds in accordance with procedures established by the Government.

2. Thereafter, until the work on the *Study* is complete, the Government shall notify the Non-Federal Sponsor in writing of the funds the Government determines to be required from the Non-Federal Sponsor, and the Non-Federal Sponsor shall provide such funds in accordance with the provisions of this paragraph.

a. The Government shall notify the Non-Federal Sponsor in writing, no later than 60 calendar days prior to the scheduled date for issuance of the solicitation for each remaining contract for work on the *Study*, of the funds the Government determines to be required from the Non-Federal Sponsor to meet the projected *non-Federal proportionate share of financial obligations to be shared during the period of study* to be incurred for such contract. No later than such scheduled date, the Non-Federal Sponsor shall make the full amount of such required funds available to the Government through any of the payment mechanisms specified in paragraph B.1. of this Article.

b. The Government shall notify the Non-Federal Sponsor in writing, no later than 60 calendar days prior to the beginning of each *fiscal year* in which the Government projects that it will make *financial obligations to be shared during the period of study* using the Government's own forces, of the funds the Government determines to be required from the Non-Federal Sponsor to meet the projected *non-Federal proportionate share of financial obligations to be shared during the period of study* using the Government's own forces for that *fiscal year*. No later than 30 calendar days prior to the beginning of that *fiscal year*, the Non-Federal Sponsor shall make the full amount of such required funds for that *fiscal year* available to the Government through any of the payment mechanisms specified in paragraph B.1. of this Article.

3. The Government shall draw from the funds provided by the Non-Federal Sponsor such sums as the Government deems necessary, when considered with any credit the Government projects will be afforded for the *non-Federal in-kind contributions* pursuant to Article II.F of this Agreement, to cover: (a) the *non-Federal proportionate share of financial*

obligations to be shared during the period of study incurred prior to the commencement of the *period of study*; and (b) the *non-Federal proportionate share of financial obligations to be shared during the period of study* as *financial obligations to be shared during the period of study* are incurred. If at any time the Government determines that additional funds will be needed from the Non-Federal Sponsor to cover the Non-Federal Sponsor's share of such financial obligations for the current contract or to cover the Non-Federal Sponsor's share of such financial obligations for work performed using the Government's own forces in the current *fiscal year*, the Government shall notify the Non-Federal Sponsor in writing of the additional funds required and provide an explanation of why additional funds are required. Within 60 calendar days from receipt of such notice, the Non-Federal Sponsor shall provide the Government with the full amount of such additional required funds through any of the payment mechanisms specified in paragraph B.1. of this Article.

C. Upon conclusion of the *period of study* and resolution of all relevant claims and appeals, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with written notice of the results of such final accounting. If outstanding relevant claims and appeals prevent a final accounting from being conducted in a timely manner, the Government shall conduct an interim accounting and furnish the Non-Federal Sponsor with written notice of the results of such interim accounting. Once all outstanding relevant claims and appeals are resolved, the Government shall amend the interim accounting to complete the final accounting and furnish the Non-Federal Sponsor with written notice of the results of such final accounting. The interim or final accounting, as applicable, shall determine *total study costs*, *study costs to be shared during the period of study*, and *excess study costs*. In addition, the interim or final accounting, as applicable, shall determine each party's required share thereof, and each party's total contributions thereto as of the date of such accounting.

1. Should the interim or final accounting, as applicable, show that the Non-Federal Sponsor's total required share of *study costs to be shared during the period of study* exceeds the Non-Federal Sponsor's total contributions provided thereto, the Non-Federal Sponsor, no later than 90 calendar days after receipt of written notice from the Government, shall make a payment to the Government in an amount equal to the difference by delivering a check payable to "FAO, USAED, St. Louis District, EROC B3" to the District Engineer or by providing an Electronic Funds Transfer in accordance with procedures established by the Government.

2. Should the interim or final accounting, as applicable, show that the total contributions provided by the Non-Federal Sponsor for *study costs to be shared during the period of study* exceed the Non-Federal Sponsor's total required share thereof, the Government, subject to the availability of funds and as limited by Article II.G. of this Agreement, shall refund or reimburse the excess amount to the Non-Federal Sponsor within 90 calendar days of the date of completion of such accounting. In the event the Non-Federal Sponsor is due a refund or reimbursement and funds are not available to refund or reimburse the excess amount to the Non-Federal Sponsor, the Government shall seek such appropriations as are necessary to make the refund or reimbursement.

3. Should the final accounting show that the Non-Federal Sponsor's total required share of *excess study costs* exceeds the Non-Federal Sponsor's total contributions provided thereto the Non-Federal Sponsor, within the applicable time frame described below, shall make a payment to the Government in an amount equal to the difference by delivering a check payable to "FAO, USAED, St. Louis District, EROC B3" to the District Engineer or by providing an Electronic Funds Transfer in accordance with procedures established by the Government.

a. If the project or project modification that is the subject of this *Study* will require further Congressional authorization to implement the recommended plan and:

i. the project or project modification is authorized for construction – then the payment shall be made no later than the date on which a Project Cooperation Agreement is entered into for the project or project modification; or

ii. the project or project modification is not authorized for construction within 5 years after the date of the final Report of the Chief of Engineers concerning the project or project modification – then the payment shall be made no later than 5 years after the date of the final Report of the Chief of Engineers; or

iii. the *Study* is terminated and the project or project modification is not authorized for construction - then the payment shall be made no later than 2 years after such termination date.

b. If the project or project modification that is the subject of this *Study* will not require further Congressional authorization to implement the recommended plan, then the payment shall be made:

i. no later than the date on which a Project Cooperation Agreement is entered into for the project or project modification; or

ii. no later than 5 years after the date the decision document is duly approved by the Government; or

iii. no later than 2 years after the date of the termination of the *Study*, whichever is earliest.

ARTICLE V - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative

dispute resolution with a qualified third party acceptable to both parties. Each party shall pay an equal share of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE VI - MAINTENANCE OF RECORDS AND AUDIT

A. Not later than 60 calendar days after the effective date of this Agreement, the Government and the Non-Federal Sponsor shall develop procedures for keeping books, records, documents, or other evidence pertaining to costs and expenses incurred pursuant to this Agreement. These procedures shall incorporate, and apply as appropriate, the standards for financial management systems set forth in the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments at 32 C.F.R. Section 33.20. The Government and the Non-Federal Sponsor shall maintain such books, records, documents, or other evidence in accordance with these procedures and for a minimum of three years after completion of the accounting for which such books, records, documents, or other evidence were required. To the extent permitted under applicable Federal laws and regulations, the Government and the Non-Federal Sponsor shall each allow the other to inspect such books, records, documents, or other evidence.

B. In accordance with 32 C.F.R. Section 33.26, the Non-Federal Sponsor is responsible for complying with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507), as implemented by OMB Circular No. A-133 and Department of Defense Directive 7600.10. Upon request of the Non-Federal Sponsor and to the extent permitted under applicable Federal laws and regulations, the Government shall provide to the Non-Federal Sponsor and independent auditors any information necessary to enable an audit of the Non-Federal Sponsor's activities under this Agreement. The costs of any non-Federal audits performed in accordance with this paragraph shall be allocated in accordance with the provisions of OMB Circulars A-87 and A-133, and such costs as are allocated to the *Study* shall be included in *total study costs* and shared in accordance with the provisions of this Agreement.

C. In accordance with 31 U.S.C. 7503, the Government may conduct audits in addition to any audit that the Non-Federal Sponsor is required to conduct under the Single Audit Act Amendments of 1996. Any such Government audits shall be conducted in accordance with Government Auditing Standards and the cost principles in OMB Circular No. A-87 and other applicable cost principles and regulations. The costs of Government audits performed in accordance with this paragraph shall be included in *total study costs* and shared in accordance with the provisions of this Agreement.

ARTICLE VII - FEDERAL AND STATE LAWS

In the exercise of their respective rights and obligations under this Agreement, the Non-Federal Sponsor and the Government shall comply with all applicable Federal and State laws and

regulations, including, but not limited to: Section 601 of the Civil Rights Act of 1964, Public Law 88-352 (42 U.S.C. 2000d) and Department of Defense Directive 5500.11 issued pursuant thereto and Army Regulation 600-7, entitled “Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army”.

ARTICLE VIII - RELATIONSHIP OF PARTIES

A. In the exercise of their respective rights and obligations under this Agreement, the Government and the Non-Federal Sponsor each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other.

B. In the exercise of its rights and obligations under this Agreement, neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights the other party may have to seek relief or redress against that contractor either pursuant to any cause of action that the other party may have or for violation of any law.

ARTICLE IX - TERMINATION OR SUSPENSION

A. Prior to conclusion of the *period of study*, upon 30 calendar-days written notice to the other party, either party may elect without penalty to terminate this Agreement or to suspend future performance under this Agreement. In the event that either party elects to suspend future performance under this Agreement pursuant to this paragraph, such suspension shall remain in effect until either the Government or the Non-Federal Sponsor elects to terminate this Agreement.

B. If at any time the Non-Federal Sponsor fails to fulfill its obligations under this Agreement, the Assistant Secretary of the Army (Civil Works) shall terminate this Agreement or suspend future performance under this Agreement unless he determines that continuation of performance of the *Study* is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal interests in connection with the *Study*.

C. In the event the Government projects that the amount of Federal funds the Government will make available to the *Study* through the then-current *fiscal year*, or the amount of Federal funds the Government will make available for the *Study* through the upcoming *fiscal year*, is not sufficient to meet the Federal share of *total study costs* that the Government projects to be incurred through the then-current or upcoming *fiscal year*, as applicable, the Government shall notify the Non-Federal Sponsor in writing of such insufficiency of funds and of the date the Government projects that the Federal funds that will have been made available to the *Study* will be exhausted. Upon the exhaustion of Federal funds made available by the Government to the *Study*, future performance under this Agreement shall be suspended. Such suspension shall remain in effect until such time that the Government notifies the Non-Federal Sponsor in writing that sufficient Federal funds are available to meet the Federal share of *total study costs* the

Government projects to be incurred through the then-current or upcoming *fiscal year*, or the Government or the Non-Federal Sponsor elects to terminate this Agreement.

D. In the event that this Agreement is terminated pursuant to this Article, the parties shall conclude their activities relating to the *Study* and conduct an accounting in accordance with Article IV.C. of this Agreement. To provide for this eventuality, the Government may reserve a percentage of total Federal funds made available for the *Study* and an equal percentage of the total funds contributed by the Non-Federal Sponsor in accordance with Article II.C.1.b. of this Agreement as a contingency to pay costs of termination, including any costs of resolution of contract claims and contract modifications. Upon termination of this Agreement, all data and information generated as part of the *Study* shall be made available to the parties to the Agreement.

E. Any termination of this Agreement or suspension of future performance under this Agreement in accordance with this Article shall not relieve the parties of liability for any obligation previously incurred. Any delinquent payment owed by the Non-Federal Sponsor shall be charged interest at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13 week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3 month period if the period of delinquency exceeds 3 months.

ARTICLE X - NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or sent by telegram or mailed by first class, registered, or certified mail, as follows:

If to the Non-Federal Sponsor:

Chairman
Southwestern Illinois Flood Prevention District Council
104 United Drive
Collinsville, Illinois 62234

If to the Government:

District Engineer
U.S. Army Corps of Engineers, St. Louis
1222 Spruce Street
St. Louis, Missouri 63103-2833

B. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

C. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at the earlier of such time as it is actually received or seven calendar days after it is mailed.

ARTICLE XI - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

ARTICLE XII - THIRD PARTY RIGHTS, BENEFITS, OR LIABILITIES

Nothing in this Agreement is intended, nor may be construed, to create any rights, confer any benefits, or relieve any liability, of any kind whatsoever in any third person not party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the District Engineer.

DEPARTMENT OF THE ARMY

SOUTHWESTERN ILLINOIS FLOOD
PROTECTION DISTRICT COUNCIL

BY: _____
Thomas E. O'Hara, Jr.
Colonel, U.S. Army
District Commander

BY: _____
Les Sterman
Chief Supervisor of Construction and
the Works

DATE: _____

DATE: _____

CERTIFICATE OF AUTHORITY

I, _____, do hereby certify that I am the principal legal officer of the Southwestern Illinois Flood Prevention District Council, that the Southwestern Illinois Flood Prevention District Council is a legally constituted public body with full authority and legal capability to perform the terms of the Agreement between the Department of the Army and the Southwestern Illinois Flood Prevention District Council in connection with the feasibility study for the Prairie du Pont and Fish Lake, Illinois, Rehabilitation and Reconstruction Feasibility Study and to pay damages, if necessary, in the event of the failure to perform in accordance with the terms of this Agreement and that the persons who have executed this Agreement on behalf of the Southwestern Illinois Flood Prevention District Council have acted within their statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this _____ day of _____ 20____.

[SIGNATURE]
[TYPED NAME]
[TITLE IN FULL]

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

LES STERMAN
CHIEF SUPERVISOR OF CONSTRUCTION AND THE WORKS
SOUTHWESTERN ILLINOIS FLOOD
PREVENTION DISTRICT COUNCIL

DATE: _____