



Memo to: Board of Directors

From: Les Sterman

Subject: Program Status Report for January, 2013

Date: January 14, 2013

Our consultants are continuing to press forward with design activities. The Sec. 408 review of bid package #2a (for pump stations in the Fish Lake district) is nearly complete. The review of bid package #7 (for cutoff walls) is ongoing. The next submittal for berms and relief wells in Prairie DuPont will occur later in January and for similar work in MESD and Wood River in mid-February. We hope to put package #2a out for bids in late January.

Contracts with consultants to provide real estate appraisal and acquisition services are nearly complete. Meetings have already been held to discuss the approach that we will take to this work. Real estate acquisition policies for the Council will be presented to the Board for consideration this month. The purpose of these policies is to clarify the decision-making process in purchasing property.

The public hearing on the IEPA Sec. 401 water quality certification was held on the evening of January 3. The vast majority of testimony at the hearing was positive. However, there were a number of questions from the American Bottom Conservancy about the basis for the IEPA's conclusions. The comment period concludes on February 4; we will work with IEPA as necessary to respond to comments.

The next step in implementing the minority business/workforce utilization plan adopted by the Board in the December 2012 meeting is to contract with a Diversity Program Manager. Accordingly, I will develop a request-for-proposal for this work shortly.

We continue to work with the Corps of Engineers to identify design elements that are common to our project to achieve FEMA standards and to the Corps' ongoing project to meet the authorized level of flood protection. We have exchanged information and will be meeting shortly to try to reach some conclusion. The goal would be for the Corps to undertake parts of our project and partially pay for construction using Federal funds, thereby producing a cost saving to our project. The challenges for the Corps are to meet our schedule requirements and to secure sufficient Federal appropriations to provide certainty of funding. I am not yet convinced that the Corps can meet our requirements, but if they can provide adequate assurances it could indeed save money in our project budget and produce an added level of protection for the levee system.

AMEC representatives have now met with the levee districts to discuss their proposed design and we will increase the level of coordination with the districts as the project moves toward construction.

With the retirement of Congressman Costello from Congress, and the loss of some significant institutional knowledge, we need to reinforce our relationships with the members of our delegation. I am also looking into the possibility of having some ongoing and consistent representation to advocate for the project at the federal level, much like we already have at the state level. Despite the fact that our project is locally funded, there is a significant federal regulatory role through the Corps of Engineers that has proven to be problematic. The federal relationship will be important to our budget and schedule and I think it is prudent to take steps to advocate our interests at the federal level.