



Memo to: Board of Directors
From: Les Sterman
Subject: Program Status Report for March, 2012
Date: March 16, 2012

Design/Construction

Our design team is responding to Corps comments on the 60% submission. For the most part these comments can be addressed easily, except for the concerns regarding one significant design element – “graded filters.” AMEC has prepared additional support analysis and documentation to verify the safety and efficacy of this design feature. Our entire design team is fully satisfied that this design feature is cost-effective and safe at both the 100-year and 500-year flood elevations. The Corps’ objections appear to stem from their relative unfamiliarity with graded filters and the lack of internal design guidance. Unfortunately, Corps staff has provided us with little guidance as to the information they would require to approve this design. Essentially they have said “we’ll know it when we see it.” I have emphasized to Corps staff that this is not a reasonable approach and their continued recalcitrance could put the project in jeopardy.

As you know, the Corps provided the long-awaited Sec. 408 review plan at our last Board meeting on February 15, at least six months later than originally promised. The review plan leaves many questions unanswered and continues to leave the schedule of the review process uncertain. The plan does little or nothing to resolve my fear that the Sec. 408 review is a significant threat to the project schedule and budget.

The first 100% design package was submitted to the Corps on February 6. Along with the design documents, I submitted the request for Section 408 review to the Corps. 100% design documents for the remaining construction packages will be submitted sequentially throughout the year. The Corps responded with comments to our design team on or about March 8. AMEC should have a complete response to those comments shortly. Assuming that the various environmental permits are approved, we expect the Sec. 408 approval to be granted in late May, which will allow us to proceed with construction. The first construction package consists principally of maintenance items, but it will signal the beginning of the construction process, an important milestone in the project. We anticipate advertising for bids shortly, so we can receive bids, get Board approval of an award and the required county board signoff prior to the end of May.

The regulatory review process (as opposed to the technical review referenced above) is ongoing. The Corps received a number of comments to the Environmental Assessment, Finding of No Significant Impact and Section 404 applications. The more critical comments have come from the U.S. Environmental Protection Agency, the American Bottom Conservancy, and the Washington University Environmental Law Clinic. We are in the process of addressing those comments and will provide our responses to the Corps who will make a decision on the next steps in the environmental process. Separately, we recently met with the Illinois Environmental Protection Agency to address comments on our Section 401 (water quality) application. Timely granting of these various environmental permits and approvals, and conditions attached thereto, remains in doubt.

I travelled to Washington D.C. on March 6-8 for meetings with congressional staff and members to brief them on the status of the project, and to discuss and refine a legislative proposal for rationalizing the Sec. 408 review process to advance the construction of locally sponsored flood protection projects. A scheduled meeting with the Assistant Secretary of the Army and Corps leadership was postponed because of scheduling conflicts, but this meeting should be rescheduled in the near future. I am pressing two issues in particular: eliminating the need for external technical reviews and compelling the Corps to certify its own levees.

After Board action last month, our attorneys have drafted a proposed contract with Republic Services to provide wetland mitigation. Republic has also drafted a mitigation plan that we have reviewed.

Administrative

Scheffel & Co. has completed the audit of the Council's 2011 financial statements and they will present the document at the March Board meeting.