Honorable Barbara Boxer  
Chairman  
Committee on Environment and Public Works  
410 Dirksen Senate Office Building  
Washington, D.C. 20510-6175

Dear Chairman Boxer:

In response to section 7013(a)(3) of the Water Resources Development Act (WRDA) of 2007, the Secretary of the Army submits the enclosed report of the Chief of Engineers, dated September 12, 2012, and the Chief’s clarifying memorandum, dated March 15, 2013, for the Mississippi River Gulf Outlet (MRGO) Ecosystem Restoration, Louisiana. These documents supplement the report of the Chief of Engineers, dated January 29, 2008, on the MRGO, St. Bernard Parish, Louisiana, Deep Draft Navigation Deauthorization Study which recommended the construction of a physical barrier to close the MRGO navigation channel. The reports of the Division and the District Engineers, along with the views of the state of Louisiana and the Department of the Interior are set forth in the enclosed communications. Restoration of fish and wildlife habitat in the vicinity of the MRGO is consistent with the report of the Chief of Engineers, dated January 31, 2005, for Louisiana Coastal Area, Louisiana, Ecosystem Restoration which described a program to address the most critical restoration needs to reduce the severe wetland losses in Louisiana.

The MRGO ecosystem restoration feasibility report describes a federally identified plan at an estimated cost of $2,956,000,000 (October 2012 price level), to provide ecosystem restoration benefits to about 57,000 acres of coastal Louisiana. In conjunction with other existing and authorized restoration work, this plan would restore structure and function to the Lake Borgne ecosystem and significantly improve the habitat impacted by the construction, operation and maintenance of the MRGO navigation channel. It is consistent with Louisiana’s Comprehensive Master Plan for a Sustainable Coast (2012).

In accordance with section 7013(a)(4), the Secretary of the Army has determined that about $1,325,000,000 of the federally identified plan for ecosystem restoration described herein is cost-effective, environmentally acceptable and technically feasible. The Secretary of the Army defers a determination on the remainder of the federally identified plan pending: 1) completion of further studies for the remaining work; 2) a supplemental report of the Chief of Engineers; 3) my determination that any further recommendations of the Chief regarding the remaining work are cost-effective, environmentally acceptable and technically feasible; and 4) identification of a non-federal sponsor to cost share in the plan in accordance with the requirements of section 103 of WRDA 1986.
The initial restoration work has a project first cost estimated at $1,325,000,000. In accordance with the cost sharing for ecosystem restoration in section 103(c) of WRDA 1986, as amended, the cost sharing is 65 percent federal and 35 percent non-federal for the aquatic ecosystem restoration features and 50 percent federal and 50 percent non-federal for the estimated $2,854,000 cost of the recreation feature. The federal share of the project first cost would be about $861,000,000 and the non-federal share would be about $464,000,000. Once identified, the non-federal sponsor would cost share in the construction and undertake the full responsibility for operation, maintenance, repair, replacement and rehabilitation, estimated to cost about $3,200,000 annually.

The Office of Management and Budget (OMB) advises that there is no objection to the submission of the report to Congress for information but noted that any construction work would require a cost sharing non-federal sponsor. A copy of its letter is enclosed. I am providing a copy of the report, along with the OMB letter, dated September 3, 2013, and a similar transmittal letter to the House Committee on Transportation and Infrastructure, as required by section 7013(a)(4) of WRDA 2007. I am also sending a letter to the President of the Senate and the Speaker of the House of Representatives.

Very truly yours,

Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

Enclosures