

Associated General Contractors Conference

Speaker: Col. Rich Wagenaar

Feb 1-3, 2006

<p>1. Title slide: Associated General Contractors Conference, Feb 1-3</p>	
<p>2. MVN/MVN overview map</p>	<p>Good morning ladies and gentlemen. I have now been the New Orleans District engineer for eight months....</p>
<p>3. Photo series: Hurricane Katrina (Continuous run)</p> <p>4. Photo: Hurricane Rita</p>	<p>I was at the district six weeks when Hurricane Katrina's surge overwhelmed our levees. Since then, it's been a challenge -- probably the biggest one I've ever faced in my career. What the district faces now is certainly the biggest challenge any single district has ever faced.</p>
<p>5. Topic Slide: Budget Civil Works Contracts Studies / Projects</p>	<p>This is what I'll cover in my briefing, starting with our FY 06 Budget.</p>
<p>6. Graphic: FY 2006 Program Funds</p> <p>Regular and Emergency Supplemental Appropriations</p> <ul style="list-style-type: none"> - Carry-in from FY05 \$ 313 M - Regular Appropriations \$ 311 M - FY06 Emergency Supplemental \$ 1.9 B <p>Total FY06 \$ 2.5 B</p>	<p>Our FY2006 Funding is almost \$2.5 billion in our regular General Investigations, Construction General, Operations and Maintenance General, Mississippi River and Tributaries and Flood Control and Coastal Emergencies Programs. This is due primarily as a result of \$2.15 billion in Emergency Supplemental funds received by the New Orleans District since Hurricanes Katrina and Rita.</p> <p>About \$750 million of these funds are for Task Force Guardian levee rehab work, which will be discussed later in the briefing. We carried over \$313 million from FY05, which included Emergency Supplemental funds that were provided in September. FY06 Conference Allocations in our regular appropriations were \$311 million, and Emergency Supplemental Appropriations should provide approximately \$1.9 billion for our district with over \$1.5 billion mostly in the Flood Control and Coastal Emergencies Program.</p> <p>The Flood Control and Coastal Emergencies funds provided December 30 are for the Corps for emergency response and</p>

		recovery from coastal storm damages and flooding; to restore flood damage and hurricane protection projects to the level of protection for which they were designed at full Federal expense; and to accelerate completion of un-constructed portions of authorized hurricane and storm damage reduction projects in south Louisiana at full Federal expense. These funds will also complete funding TF Guardian levee rehab work.
7. Topic Slide: Budget Civil Works Contracts Studies / Projects		Let me show you the big picture in how this translates into contracts and then I'll go into greater detail.
8. Title: Civil Works Bullets: 130 active contracts - \$553 million 76 scheduled contracts - \$156 million		In normal Civil Works, we have 130 ongoing contracts with another 76 contracts scheduled in FY 06. And in our Civil Works recovery efforts...
9. Title: Civil Works Recovery Efforts Bullets: 41 active contracts - \$221 million 21 scheduled - 207 million		Another \$428 million in contracts have been awarded or will be awarded this fiscal year to rebuild our hurricane protection system. The majority of these scheduled contracts will be awarded within the next two to three months.
10. Topic Slide: Budget Civil Works Contracts Studies / Projects		Before I get into specific studies and projects, let me just say that dredging projects are generally in the order of \$78 million a year.
11. Title: MR Levee System Nine ongoing contracts: - East Bank levee repair - Walker borrow pit processing - Woodland emergency repair - Jesuit Bend to St. Jude levee repair - City Price to Port Sulphur levee repair - Fort Jackson to Venice		Right now we're looking at nine ongoing contracts for emergency repair work on the Mississippi River levee system.

levee repair - Port Sulphur to Ft. Jackson levee and floodwall repairs - Emergency slope pavement repair - West Pointe A La Hache emergency repairs	
12. Title: MR Levee System Four scheduled contracts - Alhambra to Hohen Solms - Hohen Solms to Modeste - Fifth Louisiana Levee District - Algiers Lock Forebay	And four contracts are scheduled.
13. Title: Atchafalaya Basin Levees (miles) Completed FY05 399 Under Construction 17 Scheduled for FY06 16 Remaining 17 Total 449	We're making progress on the Atchafalaya River levees also. Seventeen miles are currently under construction and more contracts are underway for 16 additional miles.
14. Graphic: Atch Basin FY 06 Contracts Title: Atchafalaya Basin Bullet: Two scheduled contracts - WBS Gordy levee enlargement -W102 levee enlargement	These two contracts will be awarded in FY 06, with another four contracts to be awarded in FY 07.
15. Title: Lake Pontchartrain & Vicinity Hurricane Protection Project 27 ongoing contracts - 17 th Street Canal - Orleans Canal - London Canal	With the Lake Pontchartrain and Vicinity Hurricane Protection Project, there are currently 27 ongoing Emergency Recovery contracts. Included in these contracts are the three interim closure structures – at Orleans, London and 17 th Street canals. Our local and state partners agree that the only way to protect the people who live behind the Orleans Parish levees is to keep surge out of the canals. This can be accomplished before the next hurricane season by building interim floodgates. We awarded three contracts to install temporary floodgates in time for the start of the hurricane season in June. We plan for the gates to remain open unless a storm surge in Lake

	<p>Pontchartrain threatens the canals. We will also install temporary pumps at the gates to remove storm water when the gates are closed. This alternative will provide the most reliable near term protection while long-term alternatives are being further analyzed.</p>
<p>16. Title: Lake Pontchartrain & Vicinity Hurricane Protection Project Scheduled contracts: * 17th St. Canal bank stabilization * Orleans Canal (#1) - Pump Station scour repair and slope paving; East Bank Lakefront floodwall repair * Orleans Canal (#2) - Bank stabilization * London Canal - Floodwall repair at Robert E. Lee</p>	<p>There are seven scheduled contracts that will be awarded in the next few months.</p>
<p>17. Title: West Bank & Vicinity Hurricane Protection Project Bullets: Five ongoing contracts -Cousins Pump Station expansion -Westwego to Harvey Canal Reach 3 structures (Ames, Mt. Kennedy & Oak Cove) -Harvey Canal Sector Gate Complex -Lake Cataouatche Pumping Station to Bayou Segnette State Park, levee enlargement - Belle Chasse Hwy to Algiers Lock, levee enlargement, east of Algiers Canal</p>	<p>On the West Bank, we have five ongoing contracts. The big deal on the West Bank is the Harvey Canal Sector Gate. If we can close it, it'll close out one of the major vulnerabilities to hurricane surge coming up through the marshes to the backside of the West Bank. The gate is the biggest single step toward achieving a closed system of hurricane protection.</p>
<p>18. Title: West Bank & Vicinity Hurricane Protection Project Bullets:</p>	<p>With our regular CG funding, we can only fund ongoing contracts. But we're also receiving Flood Control and Coastal Emergency funds for this project, which will provide funding for new contract awards. These funds are to accelerate completion</p>

<p>First of many upcoming contracts</p> <ul style="list-style-type: none"> - Harvey Canal F/W, Contract 2, Boomtown Casino to Hero PS 	<p>of the un-constructed portions of the project.</p> <p>In FY 06 and 07, we will award all remaining contracts currently required on the project. The first contract should be advertised soon and will be a floodwall contract along the Harvey Canal for the Boomtown Casino to Hero Pump Station reach.</p>
<p>19. Title: New Orleans to Venice Hurricane Protection Project</p> <p>Bullets:</p> <p>Upcoming Contracts:</p> <ul style="list-style-type: none"> - Enlargements of west bank river levees for hurricane protection 	<p>We'll also receive Flood Control and Coastal Emergency funding for the New Orleans to Venice project which will provide funding for new contract awards. These funds are to accelerate completion of the unconstructed portions of the project. Upcoming contracts should include the second series of enlargements for hurricane protection on the west bank river levees.</p>
<p>20. Title: Southeast Louisiana (SELA) Urban Flood Damage Reduction</p> <p>38 completed contracts</p> <ul style="list-style-type: none"> - 30 in Jefferson Parish - 8 in Orleans Parish <p>2 ongoing contracts</p> <ul style="list-style-type: none"> - Jefferson Parish -- Canal improvement -Orleans Parish -- 1 new pump stations 	<p>In FY05, we completed 38 contracts and two more contracts are currently ongoing. For the last three years, SELA has lacked sufficient funds to permit awarding new contracts. This year, the supplemental appropriation will allow us to advertise and award additional new work.</p>
<p>21. Title: SELA UFDR</p> <p>Bullets:</p> <p>10 potential FY 06 contracts</p> <p>Eight in Jefferson Parish</p> <ul style="list-style-type: none"> -- Canal improvements -- Canal crossings -- Equipment purchases <p>Two in Orleans Parish</p> <ul style="list-style-type: none"> --Intake Culvert-- Canal improvements 	<p>We could award as many as eight contracts in Jefferson Parish and two in Orleans. We also have another 14 sets of plans still on the shelf.</p>
<p>22. Title: O & M</p> <p>Five ongoing projects</p> <ul style="list-style-type: none"> * Port Allen Lock/Stoplogs rehabilitation * Algiers hurricane protection (levee and rock) 	<p>In Operations and Maintenance, this is the ongoing work in areas other than dredging. Many of our structures were damaged or destroyed during and after hurricanes Katrina and Rita.</p>

<p>* Old River Lock -- Fabricate miter gates -- Fracture critical welds * Mississippi River levees surfacing</p>		
<p>23. Title: Operations & Maintenance Bullet: Twenty scheduled contracts - 7 Gulf Intercoastal WW - 3 Mississippi River (Baton Rouge to the Gulf) - 10 Other projects</p>		<p>The majority of GIWW and Mississippi River contracts are for lock machinery upgrades or repairs. Within the other ten projects, we also have structure gates and operating machinery replacement, along with building rock dikes and repairing dikes, barriers and jetties.</p>
<p>24. Louisiana Coastal Area (LCA) Bullets: -5 near-term critical restoration features; conditional authorization -10 near-term critical restoration features; congressional authorization</p>		<p>The chief signed the LCA report in January 2005 and the recommendations are pending before Congress. He recommended these features. Where do construction contractors come into this? The five-year term projects were selected as near-term projects because they meet a critical need of the system and because they had previous work done so they could rapidly go from the feasibility stage to construction. Hope Canal has a CWPPRA study that's already underway. Bayou Lafourche has a CWPPRA study; two CWPPRA projects to protect shorelines near the MRGO are finished with plans and specifications. The barrier shoreline near Port Fourchon has work already ongoing. The last one is the Myrtle Grove Diversion and that's been studied -- though not quite as advanced as the other projects. Those can rapidly transition into construction contracts with the approval of the Secretary of the Army. (CONTINUED TO NEXT SLIDE)</p>
<p>25. Louisiana Coastal Area (continued) Bullets: -Science and Technology (S&T) Program -S&T demonstration projects -Beneficial use of dredged material -Investigations of modifications to existing structures</p>		<p>Science and technology may not have any direct impact on your contracts, but projects coming out of the Science and Technology Program we'll want to test and they'll go rapidly into an execution phase. Then there's the use of dredged materials. Doing what we do already to use the materials beneficially adds money into the pot so we're not taking our whole O&M budget down to do environmental restoration. There's lots of interest in existing structures – how do we operate Davis Pond, Caenarvon, Old River or any of the other facilities for an additional purpose of coastal restoration?</p>

<p>-5 large-scale long-term studies</p>	<p>And finally, the long-term studies which will look at the overall concept. When you have to modify an entire ecosystem, you have to look at some of those things that will take a lot longer while we're doing additional work. It is important to keep in mind that we are also involved in repairing and upgrading our existing levee system and we have been directed through Congress to produce two technical reports on Category 5 hurricane protection that will include coastal restoration and flood control. These integrated efforts could lead to many additional contracting opportunities in design and construction over the coming years.</p>
<p>26. Title: Coastal Wetlands Planning, Protection and Restoration Act Bullets: • One Active Contract Two combined projects: South White Lake Shoreline Protection Project and Shoreline Protection Foundation Improvement Demonstration Project •• Mermentau Basin, Vermilion Parish, Louisiana</p>	<p>A \$10-million construction contract was awarded in October 2005. It combines two CWPPRA projects, the South White Lake Shoreline Protection Project and the Shoreline Protection Foundation Improvement Demonstration Project. The 11.6-mile shoreline protection project includes a foreshore breakwater that will preserve about 700 acres of threatened marsh and create about 160 acres of additional marsh from beneficial use of dredge material.</p> <p>The foundation improvement demonstration project will test two construction measures of applying a sand foundation beneath rock. The goal of the demo is to improve the cost effectiveness of shoreline protection projects in areas of coastal Louisiana where soil foundations are poor.</p> <p>The construction contractor mobilized in December (2005) to begin dredging the floatation channel. Monitoring instrumentation for the demonstration project is currently being installed and rock dike construction begins this week. Construction is expected to be complete in the fall.</p>

<p>27. Title: Coastal Wetlands Planning, Protection and Restoration Act Bullet: One upcoming contract - Pilottown Anchorage Area maintenance dredging</p>	<p>The West Bay Sediment Diversion is a large-scale (50,000 cubic feet per second) freshwater and sediment diversion from the Mississippi River into West Bay in Plaquemines Parish, LA. The purpose of the project is to restore up to 10,000 acres of deltaic wetlands over 20-years. Initial construction of the project was completed in January 2003 through a Breaux Act partnership between the Corps and the Louisiana Department of Natural Resources.</p> <p>Periodic maintenance actions for the West Bay sediment diversion call for removing induced shoaling material from the Pilottown Anchorage Area in Plaquemines Parish. Maintaining the anchorage helps provide safe navigation in the lower MS River where pilots rotate on and off of vessels being guided into and out of port facilities in south Louisiana. Material dredged from the area is used beneficially for wetlands creation. This work calls for hydraulic dredging of up to two million cubic yards from the anchorage and placement of material for wetlands creation in West Bay.</p>
<p>28. Photo: Montage of workers and construction</p>	<p>Much of the media coverage immediately following the hurricanes focused on the response of the Corps of Engineers and little attention was paid to the contractors supporting our mission. Each of you knows – as well as all of us at the Corps – that the partnership between contractors and the Corps is the key to our success.</p>
<p>29. Title: Heroic Partners Photo: Contractors Bullets: - Bertucci Construction Company - Boh Bros. Construction Company, Inc - B & K Construction Company - Fordice Construction Company - Luhr Bros., Inc. - Pine Bluff Sand & Gravel Company - CH2M Hill, Inc. - Phillips & Jordan, Inc.</p>	<p>In the direct aftermath of Hurricane Katrina, these companies provided immediate emergency response to the USACE flood fight mission for the city of New Orleans. They quickly mobilized necessary manpower, materials and equipment and tirelessly worked under adverse conditions and circumstances to accomplish assigned tasks. Their efforts were a powerful reaffirmation of the partnership between the construction industry and the Corps of Engineers. Their contributions to the flood-fighting mission in New Orleans were critical in the wake of the nation’s worst natural disaster. Their employees were truly heroic, their actions commendable, and reflect greatly upon your organization.</p> <p>Framed certificates of appreciation were prepared for these eight contractors.</p> <p>Thank you again for everything you do in support of the Corps.</p>
<p>30. Seal obverse</p>	