MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Implementation Guidance for Section 1167 of the Water Resources Development Act of 2016 (WRDA 2016), Hurricane and Storm Damage Reduction

1. Section 1167 of WRDA 2016 was completed and signed on 17 January 2018. The implementation guidance is posted in the U.S. Army Corps of Engineers website: http://www.usace.army.mil/Missions/Civil-Works/Project-Planning/Legislative-Links/.

2. Questions regarding this implementation guidance should be directed to Joseph Mose, Continuing Authority Program Project Manager, Programs Integration Division, at (202) 761-4825 or Joseph.H.Mose@usace.army.mil.

JAMES C. DALTON, P.E.
Director of Civil Works

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MEMORANDUM FOR THE COMMANDING GENERAL OF THE U.S. ARMY CORPS OF ENGINEERS

SUBJECT: Implementation Guidance for Section 1167 of the Water Resources and Development Act of 2016 (WRDA 2016), Hurricane and Storm Damage Reduction

1. Section 1167 of WRDA 2016 further amends Section 3 of Public Law 79-727, as amended, commonly referred to as Section 103 under the Continuing Authorities Program. It increases the per project Federal participation limit for Section 103 projects from $5 million to $10 million. Section 1167 of WRDA 2016 and Section 103, as amended (33 U.S.C. 426g), are enclosed.

2. In general, the increased per project limit on federal participation will be applied to a Section 103 project whose initial construction contract is awarded on or after December 16, 2016.

   a. The Project Partnership Agreement (PPA) models for Section 103 projects posted to the U.S. Army Corps of Engineers (Corps) agreements website have been updated to reflect the increased federal participation limit.

   b. An existing PPA for a Section 103 project whose initial construction contract is awarded on or after December 16, 2016 may be amended to reflect the increased Federal participation limit of $10 million. Review and approval of a PPA amendment for this purpose is delegated to the MSC Commander and may not be further delegated. MSC counsel review of, and concurrence in, the amendment is required prior to approval by the MSC Commander. The District Commander is authorized to execute the amendment after its approval.

3. Per the Assistant Secretary of the Army for Civil Works memorandum dated 21 March 2017, the Corps has been delegated authority to approve an increase to federal participation limit on Continuing Authority Program projects. The Director of Civil Works (DCW) approval is required to approve a request from the non-federal sponsor to increase the federal participation limit to $10 million if the initial construction contract for the Section 103 project was awarded before December 16, 2016. The district will submit the non-federal sponsor formal written request, along with the district's assessment of the request, through the MSC to the appropriate Regional Integration Team.
SUBJECT: Implementation Guidance for Section 1167 of the Water Resources and Development Act of 2016 (WRDA 2016), Hurricane and Storm Damage Reduction

a. The DCW will only consider approving an increase in the federal participation limit if the project is not yet fiscally complete and if the project involves deficiency corrections or involves increases in costs for in-scope work caused by federal funding delays, acquisition complications, or resolution of contract disputes. In addition, the DCW will not consider a request to apply the increased federal participation limit if at the time of PPA execution, estimated costs indicated that amounts subject to cost sharing would exceed the federal participation limit, with the sponsor responsible for all costs in excess of that limit.

b. If the DCW approves increasing the federal participation limit, review and approval of a PPA amendment for this purpose is delegated to the MSC Commander and may not be further delegated. Division counsel review of, and concurrence in, the amendment is required prior to approval by the MSC Commander. The District Commander is authorized to execute the amendment after its approval.

4. This implementation guidance will be incorporated into ER 1105-2-100, Appendix F, when it is updated.

5. The point of contact for this implementation guidance is Gib Owen at 703-695-4641 or gib.a.owen.civ@mail.mil.

Encl

RYAN A. FISHER
Acting Assistant Secretary of the Army
(Civil Works)
SEC. 1167. HURRICANE AND STORM DAMAGE REDUCTION.

Section 3(c)(2)(B) of the Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426g(c)(2)(B)), is amended by striking "$5,000,000" and inserting "$10,000,000".

Section 103 (33 U.S.C. 426g) Extract

(a) Construction of small shore and beach restoration and protection projects

(1) In general

The Secretary may carry out a program for the construction of small shore and beach restoration and protection projects not specifically authorized by Congress that otherwise comply with section 426e of this title if the Secretary determines that such construction is advisable.

(2) Local cooperation

The local cooperation requirement of section 426e of this title shall apply to a project under this section.

(3) Completeness

A project under this subsection:

(A) shall be complete; and

(B) shall not commit the United States to any additional improvement to ensure the successful operation of the project; except for participation in periodic beach nourishment in accordance with:

(i) section 426e of this title; and

(ii) the procedure for projects authorized after submission of a survey report.

(c) Authorization of appropriations:

(1) In general

Subject to paragraph (2), the Secretary may expend, from any appropriations made available to the Secretary for the purpose of carrying out civil works, not more than $30,000,000 during any fiscal year to pay the Federal share of the costs of construction of small shore and beach restoration and protection projects or small projects under this section.

2) Limitation

The total amount expended for a project under this section shall:

(A) be sufficient to pay the cost of Federal participation in the project (including periodic nourishment as provided for under section 426e of this title), as determined by the Secretary; and

(B) be not more than $10,000,000.