FEDERAL FUNDING OF DREDGED MATERIAL PLACEMENT AREAS.

Rich Worthington – Steinberg & Associates
BRIEF HISTORY

• Confined placement of dredged material has increased due to increasing environmental concerns and Federal and State regulations.

• Before WRDA 96 Federal funding for dredged material placement areas was mixed depending on project authorization—some 100% Federal and others 100% non-Federal.

• Funding for placement areas for maintenance of Great Lakes was Federal under Section 123 of the 1970 River and harbor and Flood Control Act.

• WRDA 96 imposed Federal/Non-Federal cost sharing for all new or modified placement areas.
FEDERAL COST SHARING FOR PLACEMENT AREAS

• Channels 20 feet or less – 80% Federal

• Channels > 20 feet to 45 feet – 65% Federal

• Channels > 45 feet – 40% Federal

• Lands, easements, rights of way and relocations (LERR’s) non-Federal

• 10 percent of non-Federal share can be financed over up to 30 years
FEDERAL COST SHARING FOR PLACEMENT AREAS

(Continued)

• Credit for LERR’s against 10 percent financed share

• Operation and maintenance of disposal area Federal
PROCESS FOR FEDERAL PARTICIPATION IN DREDGED MATERIAL PLACEMENT AREA

- Dredged Material Disposal Plan approved by Division Engineer – Federal O&M
- Project Partnership Agreement Executed
- Budgeting for Federal share Construction General by project
- Appropriation
OTHER FUNDING OPTIONS

• Non-Federal construction or Combination of Non-Federal and Federal – Credit or Payment – New WRDA 2007 – Section 2005 – Same process

• Non-Federal construction with Federal payment through a cost shared tipping or placement fee – Recovery of the Federal share over time – Non-Federal financing – Same process

• Beneficial use of dredged material – environmental, flood control, shore protection – cost sharing in incremental cost over least cost alternative – generally 65/35 Federal/Non-Federal – Requires specific Congressional authorization or limited permanent authority – Section 204 of WRDA 92