DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
CIVIL WORKS
108 ARMY PENTAGON
WASHINGTON DC 20310-0108

APR 25 2008

Honorable Jim Nussle
Director
Office of Management and Budget
Washington, D.C. 20503-0008

Dear Mr. Nussle:

In response to Public Law 109-234, the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006, enacted on June 15, 2006, the Corps of Engineers prepared the attached Integrated Final Report to Congress and Legislative Environmental Impact Statement for the Mississippi River-Gulf Outlet (MRGO) Deep-Draft De-authorization, dated November 2007 and revised January 2008. The January 2008 revisions were made to the report in order to address Section 7013 of the Water Resources Development Act (WRDA) of 2007. The report presents supporting information for the recommendation to deauthorize the MRGO deep draft navigation channel. The recommendation is contained in the report of the Chief of Engineers, dated January 29, 2008.

Section 7013 of the Water Resources Development Act of 2007 provides for the deauthorization of a portion of the MRGO channel, subject to submission of a final report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The legislation further instructs me to carry out the plan to close the MRGO if I determine that the project recommended by the Chief of Engineers is cost-effective, environmentally acceptable, and technically feasible. I have determined that the project recommended by the Chief of Engineers in the attached report is cost-effective, environmentally acceptable, and technically feasible, as required by Section 7013(a)(4). Upon my submission of this report to the Committees, the MRGO from the Gulf of Mexico to Mile 60 at the southern bank of the Gulf Intracoastal Waterway is not authorized.

The Chief of Engineers recommends that the deauthorization of the MRGO channel include a closure structure to be placed across the channel at a cost of $25,390,000. The structure would make it physically impossible for the channel to be used for navigation. The report of the Chief of Engineers recommends that the closure structure be constructed at 100 percent Federal expense because the proposed work is identified as the minimum work necessary to safely deauthorize the Federally constructed and maintained navigation channel.

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CECW-MVD-RIT
Mr. Brown

Further work on the $695 million Inner Harbor Navigation Canal Surge Reduction Project contract, which was awarded on April 3, 2008, requires that the MRGO channel be deauthorized before design work can be initiated. The Surge Reduction Project is a critical link in the schedule to provide a 100-year system for the City of New Orleans by 2011. Because of the very time-sensitive nature of the MRGO deauthorization, I request that you provide your response to me by May 30, 2008.

Before I provide my recommendation to Congress, I request your concurrence in the enclosed letters to the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure as required by Section 7013(a)(3)(A) of WRDA 2007.

Very truly yours,

John Paul Woodley, Jr.

John Paul Woodley, Jr.
Assistant Secretary of the Army
(Civil Works)

12 Enclosures
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12 Enclosures

1. Proposed letter to House Committee on Transportation and Infrastructure
2. Proposed letter to Senate Committee on Environment and Public Works
3. Proposed letter to DCGCW
4. DOI letter to USACE, Dec 10, 2007
5. USCG letter to USACE, Dec 3, 2007
6. State of LA, Coastal Protection and Restoration Authority letter, Dec 13, 2007
7. Report of the Chief of Engineers, Jan 29, 2008
8. HQUSACE, Project Summary, Jan 2008
9. HQUSACE, Documentation of Review Findings, Jan 2008
10. OASA(CW) Data Summary
11. Project Slides
12. Integrated Final Report to Congress and Legislative Environmental Impact Statement