

## **SECTION 8. PROJECT IMPLEMENTATION**

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The implementation and overall success of the Mill River and Mill Pond Habitat Restoration involves the cooperation and commitment of the USACE and the non-Federal sponsor.

### **8.1 NON-FEDERAL SPONSOR**

The city of Stamford, Connecticut is the non-Federal sponsor for the Mill River and Mill Pond Habitat Restoration Project. As the local sponsor, the city of Stamford has agreed to fulfill the local cooperation requirements. A financing plan, or documentation of financial capability, is also required for any non-Federal sponsor prior to execution of a Project Cooperative Agreement (PCA). Project sponsorship will be formalized with the execution of the PCA. A letter of intent from the city of Stamford is included in Appendix D.

### **8.2 PERMITS REQUIRED**

The following permits, at a minimum, are required for project construction:

- Water quality certification from CT DEP pursuant to Section 401 of the Clean Water Act
- Stream Channel Encroachment from the CT DEP
- Water Diversion from the CT DEP
- CZM consistency determination from CT Office of Long Island Sounds Program pursuant to the Coastal Zone Management Act
- Section 404(b)(1) evaluation, provided as an attachment to the Environmental Assessment in this report

Other required permits may be identified during the review process and during the plans and specifications phase.

### **8.3 PROJECT COST SHARING AND APPORTIONMENT**

For all aquatic habitat restoration projects funded by the USACE, project costs must be shared between the local sponsor and the USACE. This study was authorized by Section 206 of the Water Resources Development Act of 1996, Public Law 104-303, and by Section 210 of WRDA 1999, which modifies portions of the earlier law. The applicable provisions read as follows:

**SEC. 206. AQUATIC ECOSYSTEM RESTORATION.**

*(a) GENERAL AUTHORITY. – The Secretary may carry out an aquatic ecosystem restoration and protection project if the Secretary determines that the project ---*

*(1) will improve the quality of the environment and is in the public interest; and (2) is cost-effective.*

*(b) COST-SHARING. – Non-Federal interests shall provide 35 percent of the cost of construction of any project carried out under this section, including provision of all lands, easements, rights-of-way, and necessary relocations.*

*(c) AGREEMENTS. – Construction of a project under this section shall be initiated only after a non-Federal interest has entered into a binding agreement with the Secretary to pay the non-Federal share of the costs of construction required by this section and to pay 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to the project in accordance with regulations prescribed by the Secretary.*

*(d) COST LIMITATION. – Not more than \$5,000,000 in Federal funds may be allotted under this section for a project at any single locality.*

Recreational features may be added to the project and cost shared between the federal government and the local sponsor if they meet criteria in Corps of Engineers Engineering Regulations ER 1105-2-100 and ER 1165-2-501 and Engineering Pamphlet EP1165-2-502, Appendix B. Recreational features that meet the criteria are eligible for cost sharing at 50% federal, 50% local sponsor.

As the local sponsor, the city of Stamford is required to provide 35% of total project costs relating to ecosystem restoration and 50% of construction costs relating to recreation features that are eligible for cost sharing. The city of Stamford is also responsible for 100% of operation and maintenance costs for the 50-year life of the project. The Federal share is 65% of total project costs relating to ecosystem restoration and 50% of construction costs relating to recreational features that are eligible for cost sharing. Total project costs include the costs of the DPR and EA, plans and specifications, and construction. The non-Federal sponsor's 35% cost share obligation can be in the form of a cash contribution, in-kind services, or credit for lands, easements, rights-of-way, relocations, and disposal areas (LERRDs). Prior to signing the PCA, the non-Federal sponsor must have secured funds to complete the non-Federal cost-sharing portion.

**8.4 NON-FEDERAL COOPERATION REQUIREMENTS**

The requirements of the non-Federal sponsor for the implementation of the proposed restoration project as outlined for Section 206 projects have been discussed with the city of Stamford. The city understands that they must enter into a legally binding PCA with USACE. Under the terms of this PCA, the non-Federal requirements for implementation of the projects are outlined as follows:

- (a) Provide a minimum 35 percent of the separable project costs allocated to environmental restoration as further specified below:*
- (1) Provide a minimum 35 percent of plans and specifications phase costs, following execution of a project cooperation agreement.*
  - (2) Provide, during construction, any additional funds needed to cover the non-Federal share of plans and specifications phase costs.*
  - (3) Provide all lands, easements, rights-of-way including suitable borrow and dredged or excavated material disposal areas, and perform or assure the performance of all relocations determined by the Government to be necessary for the construction, operation, and maintenance of the project.*
  - (4) Provide, during construction, any additional costs as necessary to make its total contribution equal to at least 35 percent of the separable project costs allocated to environmental restoration.*
- (b) For so long as the project remains authorized, operate, maintain, repair, replace, and rehabilitate the completed project, or functional portion of the project, at no cost to the Government, in accordance with applicable Federal and State laws and any specific directions prescribed by the Government.*
- (c) Give the Government a right to enter, at reasonable times and in a reasonable manner, upon property that the non-Federal sponsor owns or controls for access to the project or the purpose of inspection, and, if necessary, for the purpose of completing, operating, maintaining, repairing, replacing, or rehabilitating the project.*
- (d) Assume responsibility for operating, maintaining, replacing, repairing, and rehabilitating (OMRR&R) the project or completed functional portions of the project, including mitigation features without cost to the Government, in a manner compatible with the project's authorized purpose and in accordance with applicable Federal and State laws and specific directions prescribed by the Government in the OMRR&R manual and any subsequent amendments thereto.*
- (e) Hold and save the Government free from all damages arising from the construction, operation, maintenance, repair, replacement, and rehabilitation of the project and any project-related betterments, except for damages due to the fault or negligence of the Government or the Government's contractors.*
- (f) Keep, and maintain books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to the project, for a minimum of three years after completion of the accounting for which such books, records, documents, and other evidence is required, to the extent and in such detail as will properly reflect total project costs and in accordance with the standards for financial management systems set forth in the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments at 32 C.F.R. Section 33.20.*
- (g) Perform, or cause to be performed, any investigations for hazardous substances as are determined necessary to identify the existence and extent of any hazardous substances regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 USC 9601-9675, that may exist in, on, or under lands, easements, or rights-of-way that the Government determines to be necessary for the construction, operation, and maintenance of*

*the project, except that the Non-Federal Sponsor shall not perform such investigations on lands, easements, or rights-of-way that the Government determines to be subject to the navigation servitude without prior specific written direction by the Government.*

*(h) Assume complete financial responsibility for all necessary cleanup and response costs of any CERCLA-regulated materials located in, on, or under lands, easements, or rights-of-way that the Government determines to be necessary for the construction, operation, or maintenance of the project.*

*(i) To the maximum extent practicable, operate, maintain, repair, replace, and rehabilitate the project in a manner that will not cause liability to arise under CERCLA.*

*(j) Prevent future encroachments on project lands, easements, and rights-of-way, which might interfere with the proper functioning of the project.*

*(k) Comply with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17), and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way, required for construction, operation, and maintenance, of the project, and inform all affected persons of applicable benefits, policies, and procedures in connection with said Act.*

*(l) Comply with all applicable Federal and State laws and regulations, including, but not limited to, Section 601 of the Civil Rights Act of 1964, Public Law 88-352 (42 U.S.C. 2000d), and Department of Defense Directive 5500.11 issued pursuant thereto, as well as Army Regulation 600-7, entitled "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army."*

*(m) Not use Federal funds to meet the non-Federal sponsor's share of total project costs unless the Federal granting agency verifies in writing that the expenditure of such funds is expressly authorized by statute.*

## **8.5 FINANCIAL ANALYSIS**

Table 17 summarizes the estimated total project costs. The total project cost of \$5,571,000 (estimate) is within the Section 206 maximum total project cost of \$7,700,000. The local sponsor would contribute \$2,006,000 as its cost share, which includes 35% of total restoration-costs and 50% of recreation-related costs that are authorized for cost sharing (Table 18). In addition, the local sponsor is responsible for 100% of annual operations and maintenance and any needed repairs, rehabilitation, and replacement of improvements, and these costs are not cost-sharable with the Federal government. The non-Federal share of the total project costs can be paid in cash contributions, the value of LERRDs, and/or in-kind contributions. Total federal costs are estimated to be \$3,565,000. Federal budget needs over the next several fiscal years are shown in Table 19.

**Table 17. Cost Sharing of Total Project Costs (in thousands of dollars, rounded)**

Task	Restoration Cost <sup>*2</sup>	Recreation Cost <sup>*3</sup>	Total Costs	Non-Federal Share <sup>*4</sup>	Federal Share <sup>*5</sup>
Detailed Project Report and Environmental Assessment	\$350		\$350		
Plans and Specifications	\$380		\$380		
Total Construction Costs	\$4,149	\$376	\$4,525		
Post Construction Monitoring	\$55		\$55		
LERRDs <sup>*1</sup> Value	\$261		\$261		
<b>Total Project Costs</b>	<b>\$5,195</b>	<b>\$376</b>	<b>\$5,571</b>		
<b>Total Restoration-related Costs<sup>*2</sup></b>	<b>\$5,195</b>		<b>\$5,195</b>	<b>\$1,815</b>	<b>\$3,377</b>
<b>Total Recreation-related Costs<sup>*3</sup></b>		<b>\$376</b>	<b>\$376</b>	<b>\$188</b>	<b>\$188</b>
<b>Total Contributions</b>	<b>\$5,195</b>	<b>\$376</b>	<b>\$5,571</b>	<b>\$2,006</b>	<b>\$3,565</b>

<sup>\*1</sup> LERRDs are part of total project costs and can be credited toward sponsor's contribution.

<sup>\*2</sup> Total restoration costs are split 35% non-federal, 65% federal, including study costs, plans and specification costs, and restoration-related construction costs, LERRDS value contributed by the sponsor, and monitoring costs.

<sup>\*3</sup> Total recreation-related construction costs are split 50% non-federal, 50% federal.

<sup>\*4</sup> Non-federal share is 35% of total restoration cost plus 50% of recreation cost. Costs are contributed after signing of the PCA

<sup>\*5</sup> Federal share is 65% of total restoration cost plus 50% of recreation cost.

**Table 18. Non-Federal Requirements of Total Project Costs (in thousands of dollars)**

<b>Contributions to Non-Federal Share</b>	<b>Amount</b>
LERRDs	\$261
Cash <sup>*1</sup>	\$1,745
Work-in-Kind	To be determined
<b>Total Contribution</b>	<b>\$2,006</b>
<b>Annual, Recurring Costs over Life of Project</b>	<b>Amount</b>
Annual Operations and Maintenance <sup>*2</sup>	\$7,000 per year

<sup>\*1</sup> The cash amount is subject to final total project costs, and may be adjusted based on actual appraised values of LERRDS obtained after plans and specifications are completed. The cash amount may also be reduced by the value of any work-in-kind conducted after the PCA is signed and that the Corps and city of Stamford agree to include in the project.

<sup>\*2</sup> Annual operations, maintenance, repair, replacement, and rehabilitation must be paid for by the local sponsor. They are not cost-sharable with the Federal government and are not included in the local sponsor costs attributed to its 35% share. The amount shown is an estimate and is subject to change based on final design and actual operations and maintenance requirements.

**Table 19. Federal Funding Needs**

<b>Task</b>	<b>Total Costs</b>	<b>Federal Share</b>	<b>Federal Funding Needs</b>			
			<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06+</b>
Detailed Project Report and Environmental Assessment <sup>*1</sup>	\$350	\$350	\$175	\$175		
Plans and Specifications <sup>*1</sup>	\$380	\$380		\$190	\$190	
Total Construction Costs	\$4,525	\$2,799				\$2,799
Post Construction Monitoring	\$55	\$36				\$36
LERRDs <sup>*2</sup> Value	\$261					
<b>Total Contributions</b>	<b>\$5,571</b>	<b>\$3,565</b>	<b>\$175</b>	<b>\$365</b>	<b>\$190</b>	<b>\$2,835</b>

<sup>\*1</sup> The DPR/EA and plans and specifications are initially paid for by the Federal government. The 35% non-Federal share of their costs is recovered during the construction phase. This cost also includes the cost of permitting and compliance.

<sup>\*2</sup> LERRDs are entirely the responsibility of the local sponsor.