



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET NW
WASHINGTON, DC 20314-1000

CECW-SAD

2 December 2020

MEMORANDUM FOR the Assistant Secretary of the Army (Civil Works)

SUBJECT: Wrightsville Beach, North Carolina Integrated Validation Report and Environmental Assessment

1. Purpose: To revise the cost sharing presented in paragraph 6 of my 2 July 2020 memorandum requesting review and approval of the subject Validation Report. A report developed for the sole purpose of seeking congressional authorization to increase the Section 902 maximum cost limit of an authorized project does not result in a "reauthorization" or "new" authorization for the project. Accordingly, the cost-share applicable to the project as authorized and included in the Local Cooperation Agreement for the Wrightsville Beach project dated 27 June 1990 (65 percent federal and 35 percent non-federal) will continue to apply. This is a revision from the 50 percent federal and 50 percent non-federal cost sharing presented in my previous memorandum, which was incorrectly based on cost sharing requirements under Section 215 of WRDA 1999 that do not apply to projects authorized before 1999. The subject validation report has been revised with an errata sheet to correct this.

2. Project Cost Sharing: The Town of Wrightsville Beach is the non-federal cost-sharing sponsor for the project. The federal and non-federal shares of the total project cost are \$60,068,050 and \$18,485,950, respectively, in accordance with multiple authorities. In accordance with Section 103(c)(5) of WRDA 1986, as amended (33 U.S.C. 2213(c)(5)), the \$22,604,000 of sunk costs for the coastal storm risk management (CSRМ) project to date are shared 65 percent federal (\$14,692,000) and 35 percent non-federal (\$7,911,400). Also, in accordance with the cost sharing provisions of Section 103(c)(5) of WRDA 1986, as amended (33 U.S.C. 2213(c)(5)), the \$30,213,000 required for the remaining authorized periodic nourishment of the CSRМ project is shared 65 percent federal (\$19,638,450) and 35 percent non-federal (\$10,574,000). In accordance with Section 111 of the River and Harbor Act of 1968 (PL 90-483) the estimated cost of \$25,737,000 to mitigate damages to the Wrightsville Beach shoreline caused by the Masonboro Inlet North Jetty navigation project is a federal cost. The estimated cost for operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) of the project is \$75,000 per year. OMRR&R is a 100% non-federal cost and responsibility.

3. Conclusion and Recommendation: I have reviewed the revised Validation Report and concur with the increase of the authorized cost to \$78,554,000 (October 2020 price level). I recommend that the enclosed Validation Report as revised be transmitted to Congress as a basis for increasing the authorized project cost of the Wrightsville Beach CSRМ project.

A handwritten signature in black ink, appearing to read "Alvin B. Lee", is positioned above the typed name.

ALVIN B. LEE
Director of Civil Works

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