



**To:** Lessard-Sams Outdoor Heritage Council  
**Date:** March 26, 2024  
**Subject:** Appropriation Extension Request - ML 2019, First Special Session, Ch. 2, Art. 1, Sec. 2, Subd. 5(o), Restoring the Upper Mississippi River at Lake Pepin: Phase 1.  
**Program Manager:** Rylee Hince, Lake Pepin Legacy Alliance

**To the Lessard Sams Outdoor Heritage Council for consideration of our appropriation extension request.**

**Background:** In 2022 the council approved the \$750,000 advancement of funds to Lake Pepin Legacy Alliance with the stipulation of quarterly reconciliation reports of all receipts showing costs spent and the entire amount being reconciled within a year. The full \$750,000 was paid to the Wisconsin DNR as the non-federal partner on the project in October 2022. The total non-federal cost-share of \$4.2 million was paid to the U.S. Army Corps of Engineers prior to the opening of their contract bids and in accordance with federal laws and grant policies. The \$4.2 million is broken down among the following partners.

<b>Non-Federal Project Partner</b>	<b>Dollar Amount</b>
Wisconsin State Budget	\$3,000,000
Wisconsin Waterfowl Stamp	\$75,000
Wisconsin Department of Natural Resources – Mississippi River Team	\$192,500
Lessard Sams Outdoor Heritage Fund	\$750,000
Red Wing, Minnesota	\$100,000
Lake Pepin Legacy Alliance	\$65,000
Bay City, Wisconsin	\$10,000
Ducks Unlimited	\$10,000
Pepin County, Wisconsin	\$5,000
Stockholm, Wisconsin	\$2,500
<b>TOTAL NON-FEDERAL</b>	<b>\$4,210,000</b>

**Timeline of Events:**

- The originally planned start date of this project was October 2018 when it was still authorized under WRDA Section 204 Beneficial Use of Dredged Material.
- In 2019 the project was awarded inclusion as 1 of 10 projects nationwide in WRDA Section 1122 beneficial use pilot program; however, federal funding was not appropriated to the program until 2020 so planning was delayed.
- The Feasibility Report and Integrated Environmental Assessment were completed in April 2020, but the base construction contract award was not until September 2022. The full construction contract was not awarded until January 2023 (6 months after the OHF advancement).
  - o Covid delays and staff turnover within the USACE extended planning timelines.
  - o There is a small pool of contractors that can do this type of work. The contractor awarded to this project was working on the Pig’s Eye Island building projected and

- wanted to finish adding the granular sand in 2022 through mid-2023 before mobilizing crew and equipment to the Upper Pool 4 project.
- The contractor mobilized in Upper Pool 4 in August 2023.

**Explanation of Delays:**

When Lake Pepin Legacy Alliance requested the advancement of funds in 2022, we did not realize how dependent the start of the project was on factors outside of the Corps' control, like the scheduling constraints of a small pool of contractors. We also misunderstood the timeline of reconciling all OHF funds and completing all project components and should have requested an extension with the advancement of funds, though the Corps did not make that recommendation to us at the time.

**New Project Timeline and Questions Answered:**

The current USACE Project Manager, Andy Schilling, provided the updated contract timeline and the following information:

- The USACE contract for the Upper Pool 4 Island Placement project has a completion of work date of September 30, 2026. Tree and final seeding establishment has a due date of one year after construction completion – September 30, 2027.
- The project sponsor funding (including the OHF advancement) held by the Corps is not in an interest-bearing account.
- The USACE Project Manager has agreed to set up a bi-monthly meeting with Lake Pepin Legacy Alliance to gather information for future quarterly reports.