

Craney Island Dredged Material Management Area (CIDMMA)
Craney Island Eastward Expansion Construction Project
 Project Progress Report (April – July 2012)
 6 Aug 2012

Project Description: The Craney Island Dredged Material Management Area (CIDMMA) is a 2,500 acre site in Portsmouth, Virginia authorized by the 1946 Rivers and Harbors Act and constructed from 1956 through 1958. The CIDMMA is federally owned and operated and is used by private interests, municipalities, Federal and State agencies for dredged material placement from Norfolk Harbor and adjacent waterways. The 2007 Water Resources Development Act (WRDA) authorized a 580 acre expansion of the containment area to the east. There is a mitigation component of the project, supported by all local environmental groups. The expansion will provide additional dredged material capacity and provide a suitable platform for a new port facility. The Virginia Port Authority (VPA) is the non-Federal sponsor and signed Memorandums of Understanding (MOUs) for work provided or performed prior to execution of a Project Partnership Agreement (PPA) in June 2009, October 2010, and August 2011. Specifically, the MOUs support project engineering and design and construction of the Stage 1 and 2 South and Division Dikes at Craney Island and the Paradise Creek Mitigation project. The PPA was executed on 5 June 2012 documenting the 50/50 cost share agreement between the VPA and Federal government, and allows the Federal government to move forward with spending appropriated construction funds.

Acquisition Strategy: The project will be built in stages through 2030 based on an agreed upon integration construction strategy. Construction work to build an earth Berm for relocating an existing Fuel and Oil Wastewater line at Craney Island was completed in 2009. The Stage 1 construction project to build the South and Division Dikes to an elevation of about -5 feet MLLW, installation of Prefabricated Vertical Drains (PVDs), and installation of settlement plates is substantially complete. The Virginia Port Authority initiated an incremental portion of the Stage 2a construction which includes building segments of the South and Division Dikes to elevation +10 feet MLLW and the ongoing Paradise Creek Mitigation project. The Norfolk District will move forward with completing the Stage 2a construction. Invitation for Bid (IFB) and request for Proposal - Purchase Order will be used to procure the Contracts.

Summary of Proposed Federal Contract Acquisitions in Fiscal Year 2012/2013 include:

MAR 2012	APR 2012	MAY 2012	JUN 2012	JUL 2012	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	JAN 2013	FEB 2013	MAR 2013	APR 2013	MAY 2013
Complete Construction of South and Division Dikes to +10 feet MLLW														
		Ready to Advertise			Contract Award Scheduled for 9 August 2012					Construction Work Accomplished				
Oyster Mitigation Project to build 16 Acres of Oyster Reef														
					Ready to Advertise		Contract Award			Construction Work Accomplished Continue through 30 November 2013				
Pre-Dredge Portions of the Main Dike and Access Channels														
					Ready to Advertise		Contract Award		Construction Work Accomplished					

Account Manager: Michael Darrow Project Manager: Michael Anderson
 Local Sponsor Representative: Virginia Port Authority, Jeff Florin
 Construction Contractor: C T Purcell and Manson Dredging

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Current Phase: Construction General

Financial Information: (As of 6 August 2012)

Total funds currently available for obligation -	\$26,373,000
• President's Budget amount for FY 2013 -	\$0
• Workplan allocation for FY 2012 -	\$26,852,000
• Current Project Capability for FY 2012 -	\$50,000,000
• Current Project Estimate – October 2011 Pricing Level:	\$870M
• Project Estimate inflated through Construction:	\$1.062B
• Section 902 Authorized Cost Level:	\$1.175B

Project Control Status:

- Primary Project goals continue to be 1) Building the Vertical Project Delivery Team (PDT), 2) updating the Project Management Plan (PMP), and 3) focus on executing current and upcoming construction work.
- 13 March 2012. Kick-Off Project Delivery Meeting (PDT) meeting occurred at NAO with new regional economist (Naomi Fraenkel) to discuss current work requirements for a Level 2 Economic Update. Level 2 economic update is required for the project to be submitted in the FY14 President's Budget.
- 4 May 2012. NAO resubmitted a revised Project Partnership Agreement package to the vertical team to perform a final back-check review.
- 19 May 2012. Presolicitation notice for the Stage 2a Construction was announced on FEDBIZOPS.
- 1 June 2012. Level 2 Economic Update was submitted to North Atlantic Division, USACE for approval.
- 5 June 2012. The PPA was signed by the Virginia Port Authority and the Norfolk District.
- 20 June 2012. Level 2 Economic Update was approved by NAD.
- 10 July 2012. Bid opening for the CIEE Stage 2a construction occurred. Manson Dredging is the apparent low bidder at \$21,490,000. Award is anticipated to occur on 9 August 2012.
- 1 August 2012. Presolicitation announcement for the CIEE Oyster Reef Mitigation project was announced on FEDBIZOPS.

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- 9 August 2012. Project is scheduled to be briefed at the Norfolk District project review board (PRB).

Current Construction Work:

CIEE Stage 1 Construction and Close Out (VPA):

Contract Amount \$27.5M

Project is substantially complete

Time Growth: 60 Days

CIEE Stage 2a Construction (VPA):

Contract Amount \$11.4M

Work is suspended

Time Growth: 0 Days

Paradise Creek Mitigation Work (VPA):

Contract Amount \$5.2M

Project is expected to be complete by October 2012

Quality Issues:

- No quality control issues.

Safety Concerns:

- No reportable safety accidents have occurred within the past 30 days.

Communications:

- CORE meetings occur approximately every two to four weeks with the next CORE meeting scheduled for 20 August 2012. Location to be determined.
- In general, the CIEE construction progress meetings occur at the District every other Wednesday at 1330.
- In general, the Paradise Creek Mitigation construction progress meeting occurs at the District every other Wednesday at 1430.
- Regular emails, phone calls, and meetings occur with Local Sponsor, NAD, HQ, and PDT members.

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