



# NEWS RELEASE

U.S. ARMY CORPS OF ENGINEERS

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## **U.S. Army Corps of Engineers and City of Dallas Agree to \$15 Million Repayment Plan for Trinity River Corridor Project**

*FORT WORTH, Texas* – The Dallas City Council today approved an agreement with the U.S. Army Corps of Engineers under which the City agrees to repay \$7 million it had never spent within 30 days. The Corps of Engineers is conducting an audit of City expenditures for the construction of levees protecting the Central Waste Water Treatment Plant and Rochester Park. The Corps agrees to credit the City for those expenditures verified by the auditors against the remaining \$8 million it owes. No City funds will be required to repay the full \$15 million if the \$8 million credit portion is verified.

The agreement resolves a Corps of Engineers accounting error that surfaced in 2010. While the federal government had been authorized to provide credit for this cost-share project, it instead had made cash payments to the city over several years. Since the error was discovered, the Corps of Engineers has worked with the City and the Assistant Secretary of the Army for Civil Works to resolve the accounting issue in a way that minimized the impact of the repayment.

The Corps of Engineers regularly partners with local sponsors in delivering projects to reduce the risk from flooding, and to provide ecosystem restoration and recreation opportunities. It is working on the Trinity River Corridor Project in partnership with the City of Dallas. The Dallas Floodway Extension project, initiated in 2001, includes construction of a chain of wetlands and Great Trinity Forest mitigation, new levees at Lamar and Cadillac Heights and a 31-mile trail system.

As part of the cost-sharing requirements for the Dallas Floodway Extension project, the City is responsible for certain elements of the project, such as purchasing land and relocating utilities, and for providing additional cash contributions. The Water Resources Development Act of 1996 authorized credit toward these City requirements for portions of the Rochester Park and Central Waste Water Treatment Plant levees previously constructed by the City, since construction is generally funded by the federal share of the project. However, instead of reducing the City's future cost-share requirements through a credit, the Corps incorrectly made cash payments to the City. The Corps of Engineers' error was discovered during a routine annual budgetary review in Fiscal Year 2010.

Correcting this financial accounting issue will not change the City's total financial obligation to support this important public safety project but will bring the project back into compliance with the authorizing language and the construction contract.

Settlement of the repayment issue keeps the project on track. The Lower Chain of Wetlands has been built and is already lowering flood risk to the city. Design of the Upper Chain of Wetlands is under way. Design and geotechnical testing is under way for the Lamar Levee. Trinity Trails Phase III is under design.

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**About the Fort Worth District:** The Fort Worth District, U.S. Army Corps of Engineers was established in 1950. The District is responsible for water resources development in two-thirds of Texas, and design and construction at military installations in Texas and parts of Louisiana and New Mexico. Visit the Fort Worth District Web site at: [www.swf.usace.army.mil](http://www.swf.usace.army.mil) and SWF Face book at: <http://www.facebook.com/pages/Fort-Worth-District-US-Army-Corps-of-Engineers/188083711219308>

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