

LAURENCE E. LEYENS
MAYOR



SIDNEY H. BEAUMAN, JR.
ALDERMAN

MICHAEL A. MAYFIELD, SR.
ALDERMAN

City of Vicksburg

1401 WALNUT STREET • VICKSBURG, MS 39181 • (601) 636-3411

November 9, 2006

Anthony C. Vesay
Colonel, Corps of Engineers
District Engineer
Vicksburg District

RE: Contributed Funds for Construction – Yazoo Diversion Canal

Dear Colonel Veasy:

The City of Vicksburg and the Warren County Port Commission are requesting approval to possibly contribute non-federal funds to facilitate construction of the Yazoo Diversion Canal Widening Project. We understand that contribution of funds is allowable by Section 102 of the Energy and Water Development Appropriations Act of 2002 upon obtaining the required higher-level approvals and requires that we enter into a Memorandum of Agreement with the Department of the Army for the funds to be used.

We understand that requests have been made at the Federal level for additional funds in FY2007 for the project. We also understand that there is a considerable amount of discussion and decision making that needs to be done prior to any additional funding being released for use. While this important process is necessary, we also understand the importance of initiating construction of this project. Any delay in the construction process will result in additional costs and continued navigation delays; that is why we would like the approval to contribute funds for this project over and above our required cost share.

Our greatest concern is that we will go through another year without this vital project. This project is necessary to accommodate the growth of industry at the Vicksburg port.

The State of Mississippi has been very good to us and currently they have allocated \$1.5 Million for this project. The City of Vicksburg and the Warren County Port Commission have

Incorporated 1825

City Website: <http://www.vicksburg.org>

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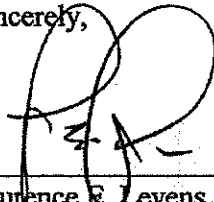
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allocated the local match which is over \$200,000.00. We are currently attempting to secure an additional \$615,000, and we would like to get approval for contributed funds.

We understand that this Letter of Intent is necessary to get the process for contributing funds started. If this request is approved and the additional funding is secured, we intend to execute an acceptable Amendment to the Project Cooperation Agreement. We understand that any contributed funds used for this project will not be reimbursed or credited.

Thank you for your consideration in this matter.

Sincerely,



Laurence E. Leyens, Mayor
City of Vicksburg, MS



John Moss, President
Warren County Port Commission