



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

CECW-LRD

11-Jun-2026

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

SUBJECT: Chickamauga Lock Replacement Project, Chickamauga Lake, Hamilton County, Tennessee, Post Authorization Change Report

1. Purpose. To provide for your review and concurrence the enclosed Chickamauga Lock Replacement Project, Chickamauga Lake, Hamilton County, Tennessee, Post Authorization Change Report (PACR). The report presents a revised cost estimate and updated analysis of the authorized project to support the authorization of a new project cost. The report documents the need to increase the 2018 authorized project cost from \$1,018,620,000 to \$1,566,787,000 (both at the current FY 2026 price level). The recommended changes necessitating the increase to the cost limit imposed by section 902 of the Water Resources Development Act of 1986, as amended (33 U.S.C. § 2280), are within the existing authority of the project.
2. Authorized Project. The existing Chickamauga Lock has an approximate end of life in 2040 due to alkali-aggregate reaction (AAR; concrete growth) which threatens the structural integrity of the original lock. The project to replace the existing lock was authorized by Section 114 of Title I of Division D of the Consolidated Appropriations Act of 2003 (P.L. 108-7) at a cost of \$267,167,000. In 2018, the estimated total project cost exceeded the Section 902 cost limit, requiring authorization of an increase to the project cost. The Nashville District executed a PACR in 2018, which was authorized in Section 1401 of WRDA 2018, increasing the authorized project cost to \$757,666,000.
3. Post-Authorization Change. The Chickamauga Lock Feasibility Report and Supplement 1: Final Supplemental Environmental Impact Statement, completed in February 2002, recommended construction of a new 110' x 600' lock to be located riverward of the existing 60' by 360' lock and downstream of Chickamauga Dam. The project is under construction, and in fiscal year 2026 (FY 2026) is expected to meet the 902 cost limit. The project is approximately 80 percent physically complete and 38 percent fiscally complete. Cost increases since the 2018 authorization are not associated with changes in project purpose, local cooperation requirements, location of project, or a result of modifications required by law. The 2018 authorized cost at the current FY 2026 price level is \$1,018,620,000. When compared to the current project first cost at the FY2026 price level (\$1,517,141,000), the cost increase of \$498,521,000 (FY 2026 prices) is attributed to: (1) changes in market conditions and limited competition (\$196,670,000), (2) contingency (\$189,804,000), and (3) contract

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modifications and assumptions (\$112,047,000). Remaining costs to complete the Chickamauga Lock Replacement project total \$901,737,000 (FY 2026 price level).

4. Economic Evaluation. Project NED benefits are no longer sufficient to re-establish the Chickamauga Lock Replacement project as the NED plan. An exception request to the Assistant Secretary of the Army for Civil Works (ASA(CW)) was approved on 11 March 2026 in accordance with ER 1105-2-103. Therefore, this PACR establishes the project as the total net benefits plan, with justification based on significant monetized and nonmonetized benefits to the nation. At the current FY 2026 discount rate of 3.25 percent, the project is now estimated to produce \$11,798,000 in average annual NED benefits, at an average annual NED cost of \$49,133,000, resulting in \$37,335,000 in negative net average annual NED benefits, and BCR of 0.2 (FY 2026 price level, 50-year period of analysis, and 2029 base year).

5. Environmental Compliance. Existing National Environmental Policy Act (NEPA) documentation covers all actions being undertaken as part of the Chickamauga Lock Replacement project. There are no changes to the scope of environmental review for the project associated with the PACR's recommended increase in project cost. The original project approvals were based on the Feasibility Report and Environmental Impact Statement (USACE 2002), for which a Record of Decision was signed in 2004. A Supplementary Environmental Assessment (USACE 2023) assessed impacts not considered in the original environmental documents. These assessments and all associated environmental compliance documentation remain valid for the project.

6. Recommendation. I report that the project remains engineeringly feasible, environmentally acceptable, and economically justified. I recommend the enclosed post authorization change report be transmitted to Congress as a basis for increasing the authorized project cost of the Chickamauga Lock Replacement Project, Hamilton County, Tennessee to \$1,566,787,000 at the FY26 price level.



JASON E. KELLY

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