

Water Resources Reform and Development Act (WRRDA) of 2014

Section 1001. Vertical Integration and Acceleration of Studies

Interim Report to Congress

This is the interim report prepared to meet the requirements of Section 1001, item (f), of the Water Resources Reform and Development Act (WRRDA) of 2014. This report provides the status of studies implemented under this section as of 15 November 2015.

Purpose

Section 1001 of WRRDA 2014 (Public Law 113-121) provides that, to the extent practicable, U.S. Army Corps of Engineers (USACE) final feasibility reports will be completed in three years and will have a maximum Federal cost of \$3 million and that the U.S. Army Corps of Engineers (USACE) district, division and headquarters review will be concurrent. Section 1001 provides further that the Secretary of the Army may extend the timeline or approve Federal costs greater than \$3 million, subject to notification of the non-Federal sponsor and the Senate Committee on Environment and Public Works and the House of Representatives Committee on Transportation and Infrastructure (Committees). Finally, Section 1001 provides that the authorization for a particular feasibility study terminates if the study is not completed within certain timeframes.

Section 1001 established a requirement to submit an interim report within 18 months of enactment of WRRDA. Subsection (d) directs the Secretary as follows:

(f) Interim Report.--Not later than 18 months after June 10, 2014, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives and make publicly available a report that describes--

- (1) the status of the implementation of the planning process under this section, including the number of participating projects;*
- (2) a review of project delivery schedules, including a description of any delays on those studies participating in the planning process under this section; and*
- (3) any recommendations for additional authority necessary to support efforts to expedite the feasibility study process for water resource projects.*

U.S. Army Corps of Engineers implementation guidance, dated 9 April 2015, set forth the following guidance for Districts to follow in order to meet the charge in Section 1001, Subsection 7. a. Interim Report.

a. USACE will compile a list of studies that have been implemented using the planning process authorized in Section 1001 of WRRDA 2014. For each study, the Corps will list the date of the following Milestones: Release of draft feasibility report for public comment and concurrent review (CW250); District Submit Final Feasibility Report (CW160); MSC transmittal of final feasibility report (CW260); and Signed Chief's Report (CW270) and the reasons for any delays. USACE will also include recommendations, if any, for additional authority necessary to support efforts to expedite the feasibility study process for water resource projects.

b. USACE will provide a draft Interim Report to ASA(CW) for review, concurrence and submission to the Congress.

Background

In February 2012, USACE issued written guidance revising the approach to the conduct of feasibility studies. This revised approach is called the SMART Planning process (Specific, Measurable, Achievable, Risk Informed and Timely). The process established a framework with a "3x3x3 rule", which would apply to studies that had not reached a feasibility scoping meeting milestone by December 2011. The application of this rule was further clarified in Planning Bulletin 2012-04 by including studies with a Chief's Report scheduled for completion after December 2014.

The SMART Planning approach and feasibility study process is a focused, iterative, risk-based approach to decision-making, based on consideration of the full range of reasonable alternatives and an analysis of the return to the Nation from each alternative. Under this process, staff from all three levels of the organization work together to develop a strategy tailored for each study. This strategy considers the issues that the Corps will need to resolve, and focuses on the analyses that it will need to complete, in order to fully inform a set of recommendations for that study. The process requires early and often vertical team engagement, to identify and resolve issues, and is also intended to identify a recommended plan via a progression of decision-based milestones (the memorandum is included as enclosure 1).

The 3x3x3 (3-years, \$3 million, 3 levels of vertical team engagement) rule is not a strict "rule". Instead, it is a policy established to provide benchmarks that would apply to most feasibility studies.

The beginning of the feasibility study is identified by the signing of the feasibility cost sharing agreement. From the onset, the Corps recognized that some feasibility studies would require more time than 3 years, and/or more than \$3 million, to complete. Therefore, the guidance provides for an exemption process to allow this additional time and/or funding where appropriate. Planning Bulletin 2012-04, 3x3x3 Rule Exemption Process (enclosure 2), outlines the exemption process.

The exemption request is made by the District Commander and endorsed by the Division Commander to a Senior Leaders Panel. The Senior Leaders Panel considers the District Commander's exemption request based on project type, size, cost, or complexity. The Panel consists of the Headquarters Chiefs of Planning and Policy Division, Engineering and Construction Division, Real Estate Division, and Civil Works Program Integration Division. The Director of Civil Works participates in the Senior Leaders Panel at his discretion.

Policy and technical decisions that impact study and scope are discussed with the vertical team by the feasibility study milestones and In Progress Reviews (IPRs) from early in the study, which helps minimize the time from the District Commander's exemption request to the Division Commander's endorsement of that request to the Senior Leaders Panel.

The exemption process is anticipated to be completed in 30 days from the time the Division Commander endorses a District recommended exemption request to the Senior Leaders Panel at Headquarters. The Senior Leaders Panel makes a recommendation on the exemption request to the Deputy Commanding General for Civil and Emergency Operations (DCG-CEO).

The current planning process, instituted prior to WRRDA 2014, requires HQUSACE approval when the Federal cost is expected to exceed \$1.5 million or the schedule exceed three years. Section 1001 of WRRDA 2014 provides that approval from the Secretary of the Army is required for any study that is expected to cost more than \$3 million or take more than three years to complete. A recommendation of the Senior Leaders Panel to approve an increase in study costs or to extend the study period is provided to the DCG-CEO. If the DCG-CEO concurs, that recommendation is submitted to the ASA(CW) for decision. If the ASA(CW) approves an exception, the non-Federal sponsor and the Senate Committee on Environment and Public Works and the House of Representatives Committee on Transportation and Infrastructure (Committees) will be notified. Any project that would need an exemption from the Secretary of the Army would have already gone through a rigorous evaluation; therefore the time needed to develop and provide the request to the ASA(CW) should be minimal. Finally, Section 1001 provides that the authorization for a particular feasibility study terminates if the study is not completed within certain timeframes which establishes a limit on the amount of time included in a waiver approval.

Section 1002 eliminates the reconnaissance study required by WRDA 1986. The reconnaissance study was intended to determine the Federal interest in conducting a feasibility study, identify a viable non-Federal cost sharing sponsor and to provide a preliminary scope for the feasibility study. Elimination of the reconnaissance study moves the requirement for the preliminary analysis of Federal interest, costs and benefits into the feasibility study phase. This legislative change necessitates the need for execution of a generic cost sharing agreement, followed by development of the specific scope, schedule and cost. This generic cost sharing agreement will not provide the necessary level of detail to justify a waiver request. Studies may

have to operate under the generic agreement without a waiver approval until the sufficient analysis has been conducted to support a waiver request.

Interim Report

As of 15 November 2015, twenty six studies have signed a Feasibility Cost Share Agreement (FCSA) following the passage of WRRDA on 10 June 2014. The table below provides the list of studies, the USACE division responsible, the Business Line, and the date the FCSA was signed.

Project Name	Division	BL	FCSA signed date after WRRDA
Du Page River, IL	LRD	FRM	Jul-15
Saginaw River Deeping, MI	LRD	NAV	Dec-14
Des Moines Levee System, Des Moines and Raccoon Rivers, IA	MVD	FRM	Aug-15
Kaskaskia River Basin, IL	MVD	ENR	Sep-15
Memphis Metro, Cypress Creek, TN (MR&T)	MVD	ENR	Aug-14
Mississippi River, Baton Rouge to the Gulf, LA - GRR	MVD	NAV	Apr-15
St. Louis Riverfront Meramec/Big River	MVD	ENR	Aug-15
Baltimore Harbor 50-Foot Channel, MD & VA (GRR)	NAD	NAV	Aug-15
Norfolk Harbor Elizabeth River - (Deepening) Southern Branch	NAD	NAV	Jun-15
Norfolk Harbor and Channels, VA - 55 Foot GRR	NAD	NAV	Jun-15
Fremont, NE	NWD	FDR	Jul-15
Seattle Harbor, WA	NWD	NAV	Sep-14
Willamette River Basin Review, OR	NWD	WS	Aug-15
Kenai River Bluff Erosion, AK	POD	FDR	May-15
Kotzebue Small Boat Harbor, AK	POD	NAV	Nov-15
Saint George Harbor Improvement, AK	POD	NAV	Oct-15
Proctor Creek, GA	SAD	ENR	Oct-15
San Juan Harbor Channel Improvement Study, PR	SAD	NAV	Sep-15
Dry Creek (Warm Springs Dam), CA	SPD	ENR	May-15
Lower Santa Cruz River, AZ	SPD	FRM	Aug-15
Pajaro River, CA	SPD	FDR	May-15
Port of Long Beach, CA	SPD	NAV	Aug-15
Sacramento River Bank Protection GRR, CA	SPD	FDR	Jun-15
Yuba River Ecosystem Restoration, CA	SPD	ENR	Jun-15
Houston Ship Channel	SWD	NHC	Nov-15
Three Rivers, AR	SWD	NAV	Jun-15

At the time of this Interim Report, studies had recently signed FCSAs and are in the process of scoping their study, developing the Project Management Plan, Risk Register, and preparing for the Alternatives Milestone. It is too early in the process to report on schedules or delays for the identified planning milestones:

1. Release of draft feasibility report for public comment and concurrent review
2. District submits final feasibility report
3. MSC final transmittal of final feasibility report
4. Civil Works Review Board
5. Signed Chief's Report

The table below captures the studies that are far enough along to have developed schedules.

MSC	Study Name	Release of draft Report	District submits final feasibility report	MSC transmittal of final report	CWRB	Signed Chief's Report
LRD	Saginaw River Deeping, MI	9/18/2017	10/24/2017	12/7/2017	1/23/2018	5/8/2018
MVD	Memphis Metro: Cypress Creek, TN (MR&T)	10/2/15	4/15/16	6/10/16	9/16/16	12/23/16
MVD	Mississippi River, Baton Rouge to the Gulf, LA - GRR	11/10/2016	9/20/2017	10/27/17	N/A	3/30/2018
NAD	Norfolk Harbor Elizabeth River - (Deepening) Southern Branch	12/20/2016	8/1/2017	8/14/2017	9/14/2017	6/1/2018
NAD	Baltimore Harbor 50-Foot Channel, MD & VA (GRR)	1/14/2016	11/1/2016	12/1/2016	2/23/2017	8/10/2017
NAD	Norfolk Harbor and Channels, VA - 55 Foot GRR	12/20/2016	8/1/2017	8/14/2017	9/14/2017	6/1/2018
NWD	Seattle Harbor, WA	7/15/2016	5/26/2017	6/26/2017	8/15/2017	11/15/2017
SPD	Pajaro River, CA	3/16/2015	5/16/2015	10/16/2015	5/17/2016	7/17/2016
SPD	Sacramento River Bank Protection GRR, CA	3/3/2017	11/15/2017	12/15/2017	2/2/2018	6/29/2018
SPD	Yuba River Ecosystem Restoration, CA	12/20/2016	8/29/2017	9/25/2017	11/28/2017	6/2/2018

At this point in time there is no request for additional authorization to support efforts to expedite the feasibility process. As these studies progress and as new studies are added, USACE will monitor the milestones and identify any issues that impede their expedited completion. USACE will capture and include its recommendations for additional authority necessary to

support efforts to expedite the feasibility study process for water resource projects in its Final Report to Congress.



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PLANNING BULLETIN

No. PB 2012-02, Reissue #2

Issuing Office: CECW-P

Reissued: 04 March 2014

Subject: Planning SMART Guide

Applicability: Guidance

1. Improving feasibility study execution and delivery through Planning Modernization is one of the four pillars of the broader Civil Works Transformation underway at the U.S. Army Corps of Engineers. Planning modernization emphasizes execution, instills accountability, and improves the organizational and operational model regionally and nationally to ensure consistent quality products. The effort will improve planner knowledge and experience through additional mandatory training, professional certification, and an update of planning processes and planning guidance. It is important that those involved in producing planning studies understand that strictly adhering to Civil Works policies, procedures, and standards is critical to developing a technically sound, policy compliant basis for making recommendations that support the national interest.

On 8 February 2012, the Deputy Commanding General for Civil and Emergency Operations issued a memorandum on feasibility study program execution and delivery. This memorandum issued guidance for scrutiny of the current portfolio of feasibility studies and the conduct feasibility studies to produce more efficient, effective, and quality decision documents and introduced a 3x3x3 rule for all feasibility studies that have not had a Feasibility Scoping Meeting (FSM) by 31 Dec 2011.

In accordance with the 3x3x3 rule, all feasibility studies should be completed within three years, at a cost of no more than \$3 million, utilize 3 levels of vertical team coordination, be NEPA compliant, and be of a "reasonable" report size. The SMART Planning methodology and framework were developed in response to this directive to facilitate more efficient, effective and consistent delivery of Planning Decision Documents.

2. SMART (Specific, Measurable, Attainable, Risk Informed, Timely) Planning is a modernized methodology and framework for conducting USACE civil works planning activities. The methodology applies critical thinking and vertical team engagement at the beginning and throughout the study process. SMART Planning is decision-focused planning rather than task-oriented planning. It reorients the planning process away from simply collecting data or completing tasks and refocuses it on doing the work required to reduce uncertainty to the point where the team can make an iterative sequence of planning decisions required to complete a quality study in full compliance with environmental laws and statutes. SMART Planning identifies a series of specific decisions to be made throughout the planning process in a timely manner. It measures progress toward planning objectives and constraints that are realistically attainable. The decisions made are relevant to the planning process and the objectives pursued are relevant to solving the problems and attaining the opportunities of the study area.

3. SMART Planning Framework - Milestones: A feasibility study following the SMART Planning framework works progressively through the six-step planning process, with five milestones that mark key decisions along the path to an effective and efficient study. These milestones are not the same as the Feasibility Scoping Meeting (FSM) or Alternative Formulation Briefing (AFB). The Milestones at the end of each phase are not a check-box and do not necessarily represent a single meeting or point in time – they are decisions made as the district Project Delivery Team (PDT) moves from reconnaissance to the Chief of Engineer's recommendation of a plan to address appropriate water resources problems, needs and opportunities. The new milestones are:

- a. Alternatives Milestone: The Alternatives Milestone ensures the three levels of the Vertical Team (VT) concurrence on the focused array of alternatives and the criteria that will be used to evaluate and compare alternatives to reach the Tentatively Selected Plan.
- b. Tentatively Selected Plan Milestone: The second decisional milestone during the feasibility study is the TSP Milestone where the HQUSACE Chief of Planning and Policy (or their designated representative) endorses the Vertical Team and PDT's recommendation of a tentatively selected plan and proposed way forward on developing sufficient cost and design information for the final feasibility study report.
- c. Agency Decision Milestone: The Agency Decision Milestone is met when HQUSACE Senior Leadership endorses moving the tentatively selected plan forward into feasibility-level analysis and development of a final recommendation. This milestone occurs after completion of the concurrent public, technical, legal, and policy review of the draft report, including any documentation required for compliance with the National Environmental Policy Act (NEPA) or other laws and guidance, and preparation of proposed actions to address comments received. In the event that the study requires Independent External Peer Review (IEPR), the milestone will be scheduled to follow receipt of the IEPR panel's findings. Before this milestone, the vertical team concurs that the analyses in the draft report and the recommendations as a result of the concurrent reviews are compliant with policy and that there is a capable non-Federal sponsor(s) ready to support project implementation.
- d. Civil Works Review Board Milestone: Following the successful submittal of the complete Final Report package to HQUSACE, a meeting of the Civil Works Review Board (CWRB) is confirmed for a minimum of six weeks later. The CWRB briefing is the corporate checkpoint to determine if the final feasibility study report and NEPA document, and the proposed Report of the Chief of Engineers, are ready to be released for State and Agency review, as required by the Flood Control Act of 1944, as amended (33 U.S.C. 701-1). Additionally, the CWRB provides command engagement and accountability; presents the Chief's Recommendations to others attending the briefing, including the Office of the Assistant Secretary of the Army for Civil Works, the Office of Management and Budget; and is an opportunity for HQUSACE engagement with the PDT, District Commander, MSC, and Sponsor.
- e. Chief's Report Milestone: Once the Chief of Engineers signs the report signifying approval of the project recommendation, the Chief of Staff signs the notification letters

forwarding the Report of the Chief of Engineers (Chief's Report) to the chairpersons of the Senate Committee on Environment and Public Works and the House of Representatives Committee on Transportation and Infrastructure. The signed Chief's Report is then returned to the Regional Integration Team (RIT), which will immediately transmit the final package for the Office of the Assistant Secretary of the Army for Civil Works (OASA (CW)).

4. The Planning SMART Guide is an online guide that provides an overview of the tips, tools, and techniques to implement feasibility studies in a more effective manner and consistent with the Deputy Commanding General of Civil and Emergency Operation's 8 February 2012 memorandum. The Guide is not a replacement for ER 1105-2-100, the Planning Guidance Notebook, or other Planning Guidance, but rather provides examples, tips, best practices, and lessons learned from the National Pilot Program for Feasibility Studies and other ongoing studies that have applied five key principles in conducting feasibility studies:

- Identify the Federal role early in the study and apply critical thinking at all phases of the study.
- Focus on identifying and then reducing key areas of uncertainty throughout the study, balancing the level of uncertainty and risk with the level of detail in the study.
- Issues of concern are identified early and throughout the iterative process with Vertical Team engagement and appropriately timed and scoped agency review including District Quality Control (DQC), MSC Quality Assurance (QA), technical (including IEPR, if necessary), policy and legal reviews.
- Seamless feasibility studies depend on ensuring that all resources, including funding, human resources, and data, are available for the duration of the study.
- The development of the feasibility study report should begin from the early stages of the study, without unnecessary products developed specifically for process milestones.

5. A collaborative group of District, Division, and Headquarters cross functional members have been working together since March 2012 to create the Planning SMART Guide (SMART Guide) and are continuing to update it to provide additional tools and tips for implementing the SMART Planning framework. The SMART Guide is the first step in the transition to update the PGN Appendices G&H and future Planning and Engineering Regulations. The feasibility study process outlined in the SMART Guide can be accomplished under current laws and in most part under current guidance; the SMART Guide annotates where existing guidance is modified. The SMART Planning framework milestones replace those in PGN Appendices G&H, and the SMART Guide will continue to evolve as concepts are tested and replaced.

6. The SMART Guide should be utilized immediately; the methodology and critical thinking applies to all Planning Studies. Studies subject to the 3x3x3 Rule must utilize the new milestone framework. Guidance on which studies are considered Legacy and which must be 3x3x3 compliant is provided in Planning Bulletin 2012-03. The SMART Guide can be found on the Planning Community Toolbox at www.corpsplanning.us.

7. Point-of-contact for the Planning SMART Guide is Ms. Susan B. Hughes, 202-761-4121.

A handwritten signature in cursive script that reads "Theodore A. Brown".

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**US Army Corps
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PLANNING BULLETIN

No. PB 2012-04

Issuing Office: CECW-P

Reissued: 11 Jan 2013

Subject: 3x3x3 Rule Exemption Process

Applicability: Guidance

1. Any feasibility study with a Chief's Report scheduled for completion after December 2014 and scoped for greater than three years until completion, or that costs more than an additional \$3 million to complete starting from the rescoping, requires a Senior Leaders panel review and DCG-CEO exemption from the rule and approval to proceed. The Senior Leaders Panel that will consider requests for exemptions from the 3x3x3 rule and make recommendations to the DCG-CEO includes the Headquarters, U.S. Army Corps of Engineers (HQUSACE) Chiefs of Planning and Policy Division, Engineering and Construction, Real Estate, and Civil Works Program Integration Division. The Director of Civil Works will participate in the Senior Leaders Panel at his or her discretion. Approval of requests for exemptions is expected to be rare.
2. Exemptions will be requested in writing by the district Commander and endorsed to the Senior Leaders Panel by the MSC Commander. The exemption package will be provided to the Regional Integration Team (RIT) and includes the following:
 - a. An electronic copy of the presentation that the district Commander will use to brief the Senior Leaders Panel. The presentation is expected to be succinct; it will describe the effort taken to reduce the scope and schedule, the tasks that are the high risk schedule and budget drivers, and the vertical team involvement;
 - b. Report Synopsis that gives a short background on the need for the study, sponsor support, and the factors driving the request for exemption, e.g., project type, size, cost, and/or complexity. (Reference template on Planning SMART Guide).
 - c. The Risk Register will identify and evaluate the potential risks of a study plan that complies with 3x3 constraints. The register will show which risks were deemed unacceptable and what changes were made to study scope, schedule, and budget to reduce these risks.
 - d. A SMART Project Management Plan (PMP) that describes the path to completion of the study (Reference template on Planning SMART Guide);
 - e. A table that displays the original study budget (by work breakdown structure) and the current rescoped study budget;
 - f. A table that displays the original study milestones and the rescoped SMART Planning milestones;

3. The RIT will log requests for exemptions into the Office of Water Project Review's (OWPR) review database as a means of tracking exemption requests programmatically. The RIT Planner will be the review manager for the exemption request. After ensuring the completeness of the exemption request package, the RIT will schedule a meeting of the Senior Leaders Panel at the earliest possible opportunity. The exemption request package will be circulated to HQUSACE members of the vertical team that were involved in the rescoping and provided concurrently to the Senior Leaders Panel. HQUSACE vertical team members will concur with the MSC endorsement or non-concur with MSC endorsement and indicate additional measures that could be taken within acceptable risk to lower study costs and/or shorten the study schedule.

4. The Senior Leaders Panel will be convened virtually. Expected participants also include the district Commander, the project manager, the district Chief of Planning, the MSC Director of Programs, the MSC Chief of Planning and Policy, and HQUSACE members of the vertical team that were involved in the rescoping. Other functional Chiefs at the district and MSC levels will also participate as necessary. Following the district Commander's presentation, the Senior Leaders Panel may ask questions of the district Commander and the vertical team as needed to ensure that the study is focused and scoped to the appropriate level of detail, utilizes rigorous management controls, and takes full advantage of existing and readily available information.

5. Based on the exemption package and the outcome of the Senior Leaders Panel meeting, the Senior Leaders Panel members will either concur with the MSC endorsement or non-concur with MSC endorsement and indicate additional measures that could be taken within acceptable risk to lower study costs and/or shorten the study schedule. The Panel findings are not required to be unanimous and will be provided via a Staff Action Summary to the DCG-CEO for consideration. If the exemption is denied, the study must be rescoped in accordance with the SMART Planning procedures (reference PB 2012-03).

6. The DCG-CEO will indicate on the Staff Action Summary either concurrence with the MSC endorsement or provide other direction. The RIT will use this information to develop a Memorandum from the DCG-CEO to the MSC Commander with actions as required. An electronic copy of the DCG-CEO Memorandum will be provided to the Chief, OWPR to close the action in the review database.

7. Point of contact for the exemption process is Mr. Wesley Coleman, 202-761-4102.



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