Civil Works Program Transformation Overview

Presentation to
USACE Communicators’ Webinar

Steven L. Stockton
Director of Civil Works
U.S. Army Corps of Engineers

25 July 2013
Securing the Nation's Future
Through Water

Click link to view video

National Water Resource Challenges

- Energy
- Environmental Values
- Governance
- Federal Budget
- Legislative Changes
- Demographic Shifts
- Persistent Conflict
- Declining Biodiversity
- Disaster Preparedness and Response
- Globalization
- Water Quality
- Increasing Demand for Water
- Flood Risk
- Climate Change

Aging Infrastructure

National Water Resource Challenges
How Much Water Does It Take to Produce...

<table>
<thead>
<tr>
<th>Beverage</th>
<th>Water needed to produce one litre of beverage</th>
<th>Water needed to produce 1kg of goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee</td>
<td>0.2</td>
<td>5</td>
</tr>
<tr>
<td>Wine</td>
<td>0.4</td>
<td>10</td>
</tr>
<tr>
<td>Apple juice</td>
<td>0.6</td>
<td>15</td>
</tr>
<tr>
<td>Orange juice</td>
<td>0.8</td>
<td>20</td>
</tr>
<tr>
<td>Beer</td>
<td>1.0</td>
<td>25</td>
</tr>
<tr>
<td>Tea</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>Bottled water</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Excluding water to grow tree
Trends Influencing CW’s Future

• **Aging infrastructure**: Critical need for robust asset management & a long-term recapitalization program

• **Domestic discretionary funding**: Need for innovative financing, capital stock divestment, market-based solutions

• **Globalization**: Waterborne trade implications, homeland security & international water resources, expansion of Panama Canal

• **Political and Governance turmoil**: No focus on America’s infrastructure needs and investment

• **Water resources challenges**:
  • Lack of a national water resources Vision to elevate water infrastructure to a national level of attention
  • Need IWRM perspective to holistic solutions, collaborative planning
  • Competition for water, including increasing environmental & water supply needs
  • Climate change adaptation & water-food-energy nexus

• **USACE organization**: Performance, technical capability, delivery
To Meet the Challenges, We Need to Change

• We are now in a non-earmark environment
• We fund too many studies/projects at less than capability
• It takes too long to get studies and projects completed
• It costs too much!!
• We make sponsors and stakeholders unhappy due to lack of timeliness and cost effectiveness
• We try too hard to justify unviable projects
• We lack emphasis on the importance of quality assurance and quality products
• In a budget constrained era, we must do what it takes to Be RELEVANT!!
Toward a More Sustainable Future

1) Integrated Water Resources Management
2) Governance and Management
3) Future National Water Resources Direction
4) Collaboration
5) Water Resources Investment Strategies
6) Managing Extreme Events
7) Knowledge & Technology Transfer
8) Water Resources Leadership
9) Communication and Education
Transforming Civil Works

Planning

Budget Development

Infrastructure Strategy

Methods of Delivery
Planning Modernization

• Reduce cost and time to complete feasibility studies (3 years and $3 million maximum)
• Review ongoing studies – drop those unlikely to lead to projects
• Instill IWRM into planning process
• Instill accountability at all levels
• Improve planner knowledge and experience (build the bench)
• Modernize planning guidance
Savannah Harbor Study

- $41 Million Study Cost
- 30 Inch Report
- 16 Year Study Duration

New Study Paradigm

- Up to $3.0 Million Study Cost
- 3 Levels of the USASCE Vertical Team
- Up to 3 Year Study Duration
- Main Report NTE 100 pages

30 Inches = Full Report
Planning Accomplishments

- Planner Training
- Chief's Reports (total is now 25; 4 more to be complete in FY13; 8 scheduled for 1st FY14)
- Planning portfolio scrub
- Educating sponsors on SMART Planning
- Planner Certification
- “Grandfathering” criteria
Budget Development

- Watershed budget development process
- Performance-based budget
- Fund projects likely to produce greatest benefits to capacity, get them operating
- Avoid “salami slicing” – better to have some projects producing benefits than a lot in the works
- Eliminate stop-and-start funding
- Align programs and business lines to National goals and objectives
- Seek alternative funding mechanisms and partnerships

*End state:* Maximized value to taxpayers of Civil Works Budget
Investment Strategy: Public-Private Partnership Possibilities

- Recreation
- Hydropower
- Harbors
- Flood Risk Management
- Disaster Recovery

Leveraging *Private and Other Agency Capital*
Infrastructure Actions to Date

- Districts and divisions have completed initial inventory of projects and begun analysis to categorize candidates for:
  - Potential alternate financing,
  - Divestiture/transfer,
  - Repurposing
- Developing master inventory list
- Awarding contract for support in:
  - Arranging alternate financing within existing authorities,
  - Developing language for new authorities,
  - Identifying alt financing demonstration/pilot projects
- Strategic communication: Engagement matrix and key talking points for leadership
Methods of Delivery

• Relook our methods to make them more efficient, cost-effective & timely
• Link technical capabilities to desired levels of service
• Maintain core competencies
• Improve operation and management of our water infrastructure
• Centers of Expertise (CXs):
  • Dam safety
  • Inland navigation design
  • Deep draft navigation economics
Methods of Delivery Accomplishments

- **National Technical Competency Team Study**
  - Technical competence focus
  - Focusing on enhancing / maintaining competencies
  - Need business process changes

- **Regional and National Production Centers in selected key CW competencies**
  - Dam Safety
  - Inland Navigation

- **Dam Safety Production Centers**
  - 7 National Centers Identified
    - In various states of implementation
    - ER 10-1-51 issued outlining the MCX role
  - Plan of Operations finalized in 2012

- **Inland Navigation Design Center**
  - National Plan proposed
  - One center with two locations
  - Undergoing final approval

- **Regions realigning to improve technical support**
FY 2014 Budget by Business Line
Total: $4.826 Billion *

* Does not include supplemental appropriations or contributed funds.
Major Construction Projects
($5 Million or More in President’s FY14 Budget)

Numbers in disks = $ millions requested for FY14
Major Supplemental Appropriations
(Not Included in President’s Budgets)

Floods of 2011
- 1.72 B

Superstorm Sandy
- 5.3 B

New Orleans HSDRRS
- 14.5 B
What Else is Going On?

- Post Sandy Reconstruction
  - USACE lead agency
  - Collaborating with NOAA. (Supportive role, data, forecasting, mapping)
- Developing principles and scope for reconstruction
- Other agencies will have supportive role
- Developing a flood risk index standard (it will help us identify location of risk, high and less risk areas) to inform, educate and develop effective preparedness and response plans
- Congressional interest in a WRDA
WRDA Status

- Senate passed a bill (S. 601) on 15 May by vote of 83-14.
- House Transportation & Infrastructure Committee is developing a bill.
- Senate bill would:
  - Authorize projects with completed Chief’s reports that have been recommended by ASA(CW) as of the date of enactment;
  - Permit the ASA(CW) to increase a project's cost by submitting certification of need;
  - Raise limits on Continuing Authorities Programs (CAP) authorities;
  - Authorize a Levee Safety Program;
  - Modify Inland Waterways and Harbor Maintenance Trust Funds;
  - Extend authority for Independent Peer Review for another 5 years;
  - Allow Corps to establish a pilot program to assess innovative financing tools to fund water resources infrastructure by leveraging private investment.
  - Establish a revised process for project de-authorization
  - Create a commission to establish a process to identifying authorized projects that are no longer in the Federal interest and review suggested de-authorizations to make recommendations to Congress.
Federal Support Toolbox: Purpose

Provide States, Tribes, Federal, regional and local water resources agencies with a system to readily access Federal water resources information, planning assistance and capabilities to improve their ability to optimize the management of water resources through an Integrated Water Resources Management approach.
## Promoting Sustainable Water Management

- Advances a strategic systems view
- Integrates water resources stakeholders and goals
- Proactively identifies water resources issues
- Streamlines water resources management processes
- Aligns programs and resources for efficiency
- Scopes future water needs and opportunities at a watershed level
Collaboration Opportunities

Partnerships and collaborations between organizations within the water resources community enhance water resources management by aligning and amalgamating resources and ideas.

To locate specific partnerships and collaborations or to filter the list by keyword, enter a search term in the Search Partnerships & Collaborations box.

Water Resources Forum

Communication is key to coordinated water resources management. Communication builds common understanding, informs, develops rapport and relationships, and engages dialogue and imagination, perhaps stimulating innovation. Communication connects people, ideas, and resources.

Review or contribute to the Water Resources Forum discussion board to gather information, ask a question and/or share a lesson learned or best practice. To locate specific information within the forum or to filter the discussion by keyword, enter a search term in the Search Forum box.

Water Resources Events

Communication and collaboration play a critical role in water resources management. Meetings, conferences, symposiums and other events provide an excellent opportunity to engage the water resources community in communication about water resources issues and to facilitate integrated water resources management.

Reinforce and Foster Collaboration, Partnerships and Alliances
Partner Needs Met

Identify Needs

One way members of the water community can meet their current and future needs is to reach out to others within the community for assistance to match these needs.

The needs which have been identified, submitted and/or addressed by water resources organizations through the Federal Support Toolbox are listed below.

<table>
<thead>
<tr>
<th>Need Submitted by Partner Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Need</strong></td>
</tr>
<tr>
<td>Reservoir Sedimentation</td>
</tr>
<tr>
<td>Effects of Global Warming</td>
</tr>
<tr>
<td>Strategies for Competing Water Use</td>
</tr>
</tbody>
</table>
Environmental Operating Principles

1. Strive to achieve Environmental Sustainability.
2. Recognize the interdependence of life and the physical environment.
3. Seek balance and synergy among human development activities and natural systems.
4. Continue to accept corporate responsibility and accountability.
5. Seek ways and means to assess and mitigate cumulative impacts.
6. Build and share an integrated scientific, economic & social knowledge base.
7. Respect the views of individuals and groups interested in Corps activities; listen to them actively and learn from their perspective.
How Communicators Help

- MANAGE PUBLIC EXPECTATIONS
- Emphasize Value to the Nation
- Find common ground among competing users
- Find consensus for major initiatives
- Align and share messages
- Encourage stakeholders to tell our story
- Involve & engage end-users
- Seek out non-traditional beneficiaries
- Influence decision-makers
Communications Principles

1. Communicate the USACE vision, mission, capabilities and current work to stakeholders/partners/audiences in a consistent (USACE-wide) way – speaking with “one voice.”

2. Enable effective two-way communication with USACE partners and customers, reinforcing the agency’s commitment to work with partners to find innovative, effective solutions.

3. Establish a unifying corporate identity to help USACE customers and partners see this agency as “One Team,” highlighting its ability to be ready and responsive.

4. Build a culture of commitment to transparency, strengthening relationships, and demonstrating reliability and dedication to making the best possible decisions and recommendations for the Nation.

5. Make every USACE employee a well-informed, involved, and empowered communicator of our work, principles, values, strategic vision and campaign goals.
Our Strategic Messages

• Our projects and the water resources we manage—with a plant replacement value of more than $251 billion—generate jobs, facilitate imports and exports, and contribute to a stronger economy, environment and quality of life for all Americans.

• Our waterborne infrastructure helps move critical military equipment and supplies for our Armed Forces at home and abroad.

• We are the Nation's largest provider of outdoor recreation opportunities.

• We are the largest owner and operator of hydroelectric power plants in the U.S. and one of the largest in the world, producing about 25 percent of the nation’s hydropower. Our hydropower production provides 3 percent of the nation’s total electric capacity.

• Our Regulatory Program protects the nation's aquatic resources while allowing effective and efficient economic development.