AAPA HARBOR AND NAVIGATION COMMITTEE

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HQ U.S. Army Corps of Engineers
Washington, D.C.
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U.S. PORTS AND INLAND WATERWAYS: VITAL TO OUR NATIONAL ECONOMY

2 Billion Tons of domestic and import/export cargo annually
USACE Navigation System

- U.S. Marine Transportation Industry Supports ~ $2 Trillion in Commerce Annually
- More than 48% of Consumer Goods Bought by Americans Pass Through Harbors Maintained by Corps.
- Over 1.3 Billion Short Tons of Foreign Goods Moved Through U.S. Ports/Waterways in 2015
- Over 900 Million Short Tons of Domestic Goods Moved Thru U.S. Ports/Waterways in 2015
- 15% of U.S. Domestic Freight Carried by Water
- 239 Lock Chambers at 193 sites
- 13,000 Miles of Coastal and Deep Draft Channels
- 12,000 Miles of Commercial Inland and Intracoastal Waterways
- 1,067 Coastal, Great Lakes and Inland Harbors
- 40 States are directly served by USACE Channels & Waterways

Mission: Provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of national security needs, commerce, and recreation.
KEY ITEM UPDATE

- FY18 Program/ Budget
- One Federal Decision (EO 13807)
- WRDA 2016 Section 1122
- Dredging …
- Data and Navigation
CONSTRUCTION PROJECTS FY18 BUDGET

$5 M or More. Actual funding for these and other projects to be determined in FY18 appropriation.

FY 19 BUDGET
- Boston Hbr: $15.1M
- Savannah Hbr: $49M
- Savannah DMP: $10.5M
- Olmsted L&D: $35M
- Corpus Christi: $13M
- Poplar Island: $21M
- Columbia RM: $28M

Numbers in circles = $million budgeted
## Navigation Budget by Account

($Millions)

<table>
<thead>
<tr>
<th>Pres Bud Fiscal Yr</th>
<th>Investigations</th>
<th>Construction</th>
<th>O&amp;M</th>
<th>MR&amp;T</th>
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<td>FY 19</td>
<td>$14</td>
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**FY18 Work Plan:**

- Navigation O&M General: $24,280,000
- Deep Draft Hrbrs & Chnls: $341,400,000
- Inland Waterways: $30,000,000
- Small Remote & Subsistence: $50,000,000
- Donor & Energy Transfer Ports: $40,000,000
- Other Authorized Purposes: $24,000,000
- Navigation Construction: $337,130,000

+$ 846,810,000

| FY 16             | $25            | $321         | $1,563 | $38  | $1,947    |
| FY 15             | $22            | $277         | $1,487 | $39  | $1,825    |
| FY 14             | $23            | $345         | $1,461 | $55  | $1,884    |
| FY 13             | $25            | $352         | $1,326 | $44  | $1,747    |
| FY 12             | $18            | $283         | $1,237 | $37  | $1,575    |
| FY 11             | $19            | $291         | $1,297 | $45  | $1,653    |
| FY 10             | $19            | $288         | $1,411 | $48  | $1,767    |

Note: Pres Bud Fiscal Yr indicates the fiscal year starting in the year shown.
EO 13807: ESTABLISHING DISCIPLINE AND ACCOUNTABILITY IN THE ENVIRONMENTAL REVIEW AND PERMITTING PROCESS FOR INFRASTRUCTURE PROJECTS (2017)

"One of the driving forces behind my interest in accepting this position was a desire to identify and implement opportunities and procedures that will improve the U.S. Army Corps of Engineers’ ability to work better with other federal agencies to move dirt and get results for the nation."

Honorable RD James, Assistant Secretary of the Army for Civil Works

KEY PROVISIONS:

• Establish a Lead Federal Agency for the Complete Process.

• Commitment to Meeting the Lead Federal Agency’s Permitting Timetable.

• Commitment to Conduct the Necessary Review Processes Concurrently.

• Automatic Elevation of Interagency Disputes.
Section 1122 of WRDA 2016 directs the Corps of Engineers to establish a pilot program consisting of 10 projects for the beneficial use of dredged material.

“...the Secretary shall carry out the pilot program in a manner that...”

- **Maximizes the beneficial placement** of dredged material from Federal and non-Federal navigation channels;

- **Incorporates**, to the maximum extent practicable, **2 or more** Federal navigation, flood control, storm damage reduction, or environmental restoration projects;

- Coordinates the mobilization of dredges and related equipment, including **through the use of such efficiencies in contracting and environmental permitting as can be implemented under existing laws and regulations**; **Fosters** Federal, State, and local **collaboration**;

- **Implements best practices** to maximize the beneficial use of dredged sand and other sediments;

- Ensures that the use of dredged material is **consistent with all applicable environmental laws**.

*WRDA 2016 is an authorizing document and does not provide appropriations*
SECTION 1122 OF WRDA 2016
PILOT SELECTION PROCESS TIMELINE

1. Federal Register Notice 30-day Submission Period Begins
   (Feb 9, 2018)

2. Non-Fed Proponents Submit Pilot Project Proposals
   (March 12, 2018)

3. USACE Regional Teams Evaluate Proposals
   (April 2018)

4. HQUSACE Develops National Evaluation
   (May 2018)

5. HQUSACE RECOMMEND 10 PROJECTS TO
   Asst. Secretary of the Army (CW) (June 2018)*

*Note WRDA 2016 is an authorizing document and does not provide appropriations for the execution of the 10 selected projects. Implementing those projects will require separate appropriations by Congress and is not guaranteed.
WRDA 2016, SECTION 1122 PILOT PROGRAM FOR BENEFICIAL USE OF DREDGED MATERIAL

As of 19 April 2018:
95 Proposals Received by the 12 March 2018 deadline.

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<th>State</th>
<th>Number of Proposals</th>
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- 40% Riverine, 60% Coastal Waters
- Majority of the projects are either beach nourishment or environmental restoration
National Dredging Program Trends

Total Dredging FY 2007-2016

Fiscal Year 2016 Total Dredging: 202 MCY @ $1,318 Million (~$6.51/CY)

- Maintenance Work: 186 MCY (92%) @ $1,036 Million (79%)
- Hurricane Sandy & Emergency: 11 MCY (5%) @ $191 Million (14%)
- New Work: 6 MCY (3%) @ $91 Million (7%)
CHALLENGES TO NAVIGATION
DREDGING

LONG-TERM CONTINUING ANALYSIS OF DREDGING
U.S. ARMY CORPS OF ENGINEERS DREDGING PROGRAM

- Increasing Demand
- Increasing Cost
- Complex Environmental Considerations
- Funding Cycles, Funding Surges
- Capacity
- Atypical demand cycle
- Beneficial Use?

* Includes PL 84-99 and FY 05 Hurricane Katrina Supplemental (PL 109-062) amounts
+ Includes Hurricane Supplemental Work (HSW) amounts
** Includes ARRA amounts

Source Data: http://www.navigationdatacenter.us/db/dredging/ddcost/
What Can We Do Differently

- Direct, quantitative comparisons of vessel drafts and associated cargo relative to maintained channel depths and requisite O&M dredging costs.

Acquisition, management, integration, visualization, and analysis of all operational data in support of all Civil Works missions.

Real time navigation information for the mariner for safe, reliable, efficient, effective and environmentally sustainable waterborne transportation.

River Information Services

Civil Works Business Intelligence

Navigation Partners and Navigation Industry

Mariner

Locks
Channel Condition
Dredging
Channel Config
Waterborne Statistics
Structures
Vessel Track
Weather
Aids to Navigation
River Levels

LPMS
eHydro
DIS
RMS
DQM
RSM
IENC
TOWS
Master Docks
CEBIS
OMBIL/NPP
AIS (USACE/USCG)
NOAA
USCG
NTNI
CWMS
USGS
NOAA

US Army Corps of Engineers®
Civil Works: Focus on Delivery

- Embrace and Operationalize Risk-Informed Decision Making
- Make, Justify and Document Decisions at the Most Appropriate Level
- Synchronize Headquarters Functions to Support MSC and District Project Delivery
- Integrate and Synchronize Agency Policy and Guidance
- Incorporate Social and Environmental Benefits into Project Formulation, Design and Implementation
CLOSING THOUGHTS

• Strategic Opportunity from the focus of the Administration, the support of the Congress, and the growing recognition of the challenges to our infrastructure

• Chief of Engineers #1 PRIORITY: DELIVER THE PROGRAM

• ASA (CW) guidance: “Move Dirt”

• The Corps Doesn’t Deliver Anything by Itself… Critical that We Not Lose Focus on Our Partners, Stakeholders, and Our Commitments