

# O&M 20/20

SIMILAR COSTS FOR SIMILAR ACTIVITIES AT SIMILAR PROJECTS

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## O&M 20/20 Overview

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U.S. ARMY

# WHAT IS O&M 20/20?

*Similar* costs for *similar* activities at *similar* projects.

ADAPTABLE

DEFENSIBLE

TRANSPARENT

CONSISTENT

RISK-INFORMED

Multi-year effort

BY19

BY20

BY21



# O&M 20/20 IMPLEMENTATION THUS FAR...

## BY19

- Transitioned from a historic five-year average to a performance-based budget
- Introduced O&M 20/20 Budget Framework
- Introduced Levels of Performance

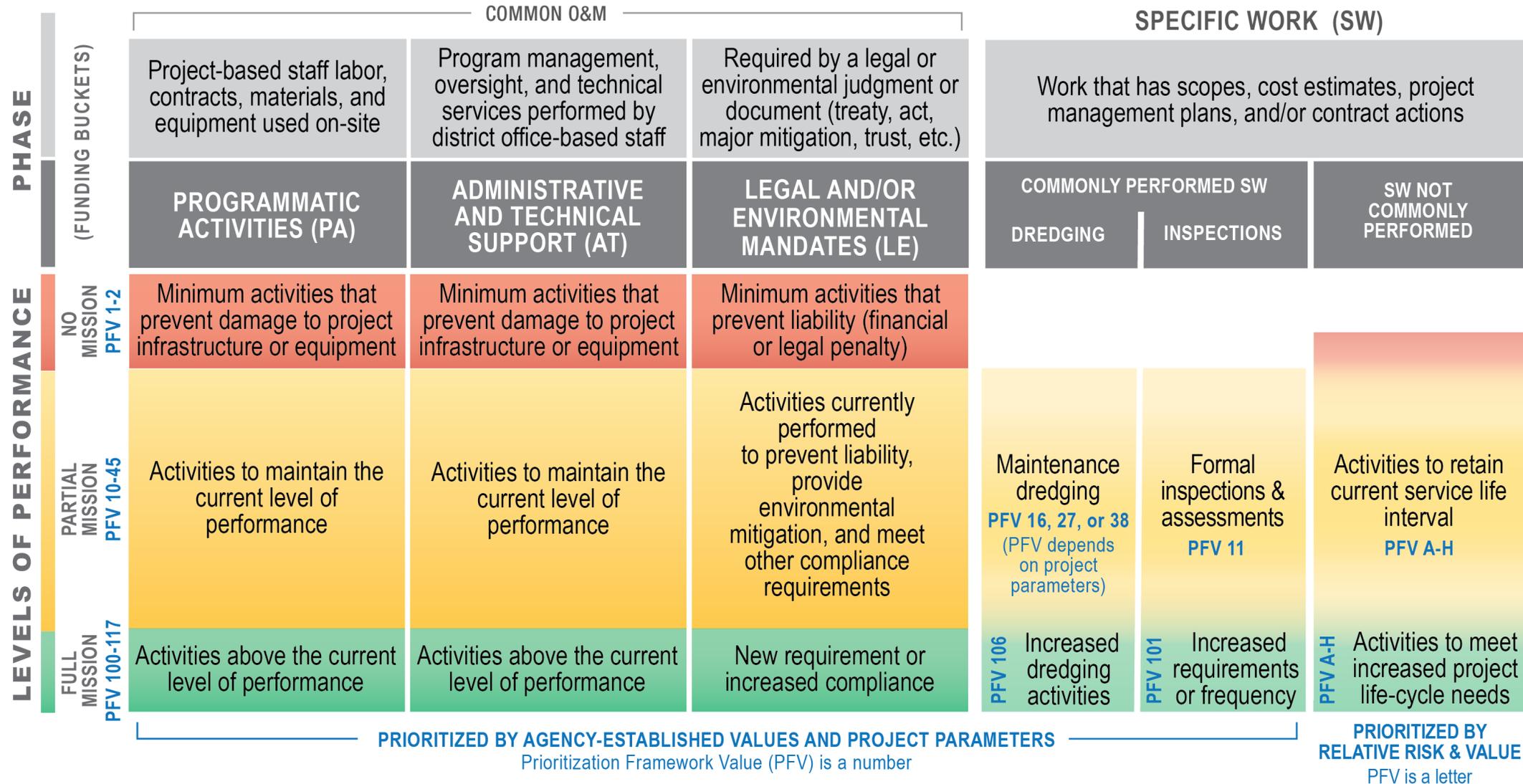
## BY20

- Clarified definitions
- Created (or updated) tools to aid budget development:
  - Organize-Prioritize Tool
  - CW-IFD Data Dictionary
  - CW-IFD data entry reports
- Streamlined guidance (O&M Appendix and PDMs)

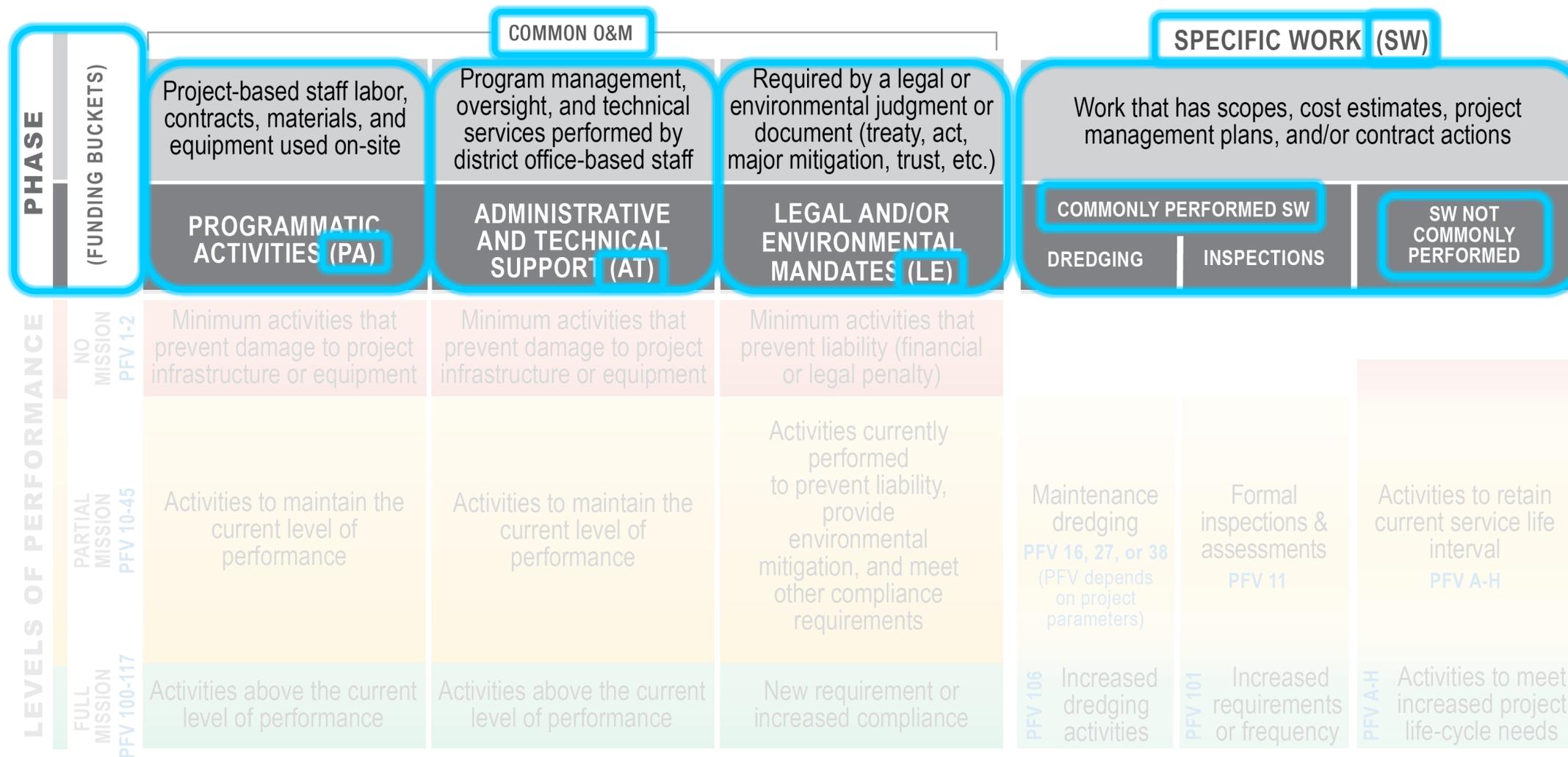
## BY21

- Clarified definitions and framework
- Refined the Organize-Prioritize Tool
- Published an in-depth data quality review
- Developing reports to link data from budget to execution

# O&M 20/20 FRAMEWORK



# ORGANIZING TYPES OF WORK BY PHASE



PRIORITIZED BY AGENCY-ESTABLISHED VALUES AND PROJECT PARAMETERS

Prioritization Framework Value (PFV) is a number

PRIORITIZED BY RELATIVE RISK & VALUE

PFV is a letter

# ORGANIZING WORK BY LEVEL OF PERFORMANCE

PHASE (FUNDING BUCKETS)		COMMON O&M			SPECIFIC WORK (SW)		
		PROGRAMMATIC ACTIVITIES (PA)	ADMINISTRATIVE AND TECHNICAL SUPPORT (AT)	LEGAL AND/OR ENVIRONMENTAL MANDATES (LE)	COMMONLY PERFORMED SW DREDGING   INSPECTIONS	SW NOT COMMONLY PERFORMED	
LEVELS OF PERFORMANCE	NO MISSION DEV 1.0	Minimum activities that prevent damage to project infrastructure or equipment	Minimum activities that prevent damage to project infrastructure or equipment	Minimum activities that prevent liability (financial or legal penalty)			
	PARTIAL MISSION DEV 4.0-4.5	Activities to maintain the current level of performance	Activities to maintain the current level of performance	Activities currently performed to prevent liability, provide environmental mitigation, and meet other compliance requirements	Maintenance dredging	Formal inspections & assessments	Activities to retain current service life interval
	FULL MISSION DEV 4.00-4.5	Activities above the current level of performance	Activities above the current level of performance	New requirement or increased compliance	Increased dredging activities	Increased requirements or frequency	Activities to meet increased project life-cycle needs

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# WORK PACKAGE EXAMPLES – NAV

PHASE (FUNDING BUCKETS)		COMMON O&M			SPECIFIC WORK (SW)		
		PROGRAMMATIC ACTIVITIES (PA)	ADMINISTRATIVE AND TECHNICAL SUPPORT (AT)	LEGAL AND/OR ENVIRONMENTAL MANDATES (LE)	COMMONLY PERFORMED SW DREDGING   INSPECTIONS	SW NOT COMMONLY PERFORMED	
LEVELS OF PERFORMANCE	NO MISSION PFV 1-2	<ul style="list-style-type: none"> <li>Visual inspection of project to ID vandalism, etc. (WCC 60110)</li> </ul>	<ul style="list-style-type: none"> <li>Maintain DoD mandated cyber security certification (WCC 60191)</li> </ul>	<ul style="list-style-type: none"> <li>Provide minimum downstream flow to meet biological opinion (WCC 60110)</li> </ul>			
	PARTIAL MISSION PFV 10-45	<ul style="list-style-type: none"> <li>Maintenance and repair of dam components (WCC 61110)</li> <li>Operation of lock to maintain current LOP (WCC 60110)</li> <li>Debris and drift removal in harbors and channels (WCC 60110)</li> </ul>	<ul style="list-style-type: none"> <li>Water Management collection and analysis (WCC 60142)</li> <li>Instrumentation - existing instruments (WCC 60131)</li> </ul>	<ul style="list-style-type: none"> <li>Operation of railroad bridge mandated by condemnation decree (WCC 60110)</li> <li>Maintenance of railroad bridge mandated by condemnation decree (WCC 61110)</li> </ul>	<ul style="list-style-type: none"> <li>Dredge outer harbor (WCC 61121)</li> </ul>	<ul style="list-style-type: none"> <li>Inspect jetties (WCC 60121)</li> <li>Formal inspections or assessments such as PI, HSS (WCC 60110)</li> </ul>	<ul style="list-style-type: none"> <li>Repair jetties (WCC 61110)</li> <li>Advance maintenance dredging (WCC 61121)</li> <li>Replace Lock Gate(s) (WCC 61110)</li> <li>Rehabilitation of Dam Gates (WCC 61110)</li> <li>Installation of new tow haulage units (none existed before) (WCC 61110)</li> </ul>
	FULL MISSION PFV 100-117	<ul style="list-style-type: none"> <li>Increased Safety Patrols of Canal (WCC 60110)</li> <li>Proactive PM of assets and equipment (WCC 61110)</li> </ul>	<ul style="list-style-type: none"> <li>Project Condition Surveys (by State) (WCC 60121)</li> </ul>				

# DREDGING OUTER HARBOR BREAKOUT

Category	Business Program	Activity	Work Package Title	Work Package Description
Management	NAV	Maintenance Dredging	Operation for Navigation - <b>Program and Project Management</b>	Funding for annual management costs to ensure project is operable.
Base Dredging	NAV	Maintenance Dredging	Maintenance Dredging - Dredging – Outer Harbor (1a of 5)	Perform maintenance dredging activities.
Base Dredging	NAV	Advanced Maintenance Dredging	Maintenance Dredging - Dredging - Outer Harbor (1b of 5)	Perform advanced maintenance dredging.
Base Dredging	NAV	Maintenance Dredging	Maintenance Dredging - <b>Surveys</b> - Outer Harbor (2 of 5)	Funding for all surveys (BD, AD, progress, and condition) specifically needed for the contract.
Base Dredging	NAV	Maintenance Dredging	Maintenance Dredging - <b>Plans &amp; Specific</b> - Outer Harbor 3 of 5)	Prepare P&S for Contract.
Base Dredging	NAV	Maintenance Dredging	Maintenance Dredging - <b>Environmental Coordination</b> - Outer Harbor (4 of 5)	(Provide specific project activities and the certification that requires them) Funding for environmental requirements to perform maintenance dredging.
Base Dredging	NAV	Maintenance Dredging	Maintenance Dredging - <b>Contract S&amp;A</b> - Outer Harbor (5 of 5)	Funding for oversight and administration.

Compare detailed activities that are similar within overall dredging requirements

# ORGANIZE-PRIORITIZE TOOL – OVERVIEW

WORK THAT HAS SCOPES, COST ESTIMATES, PROJECT MANAGEMENT PLANS AND/OR CONTRACT ACTIONS									
Activity	Scope	Cost	PM	Contract	Priority	LOP	Frequency	Effort	Staffing
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...

## Specific Work Not Commonly Performed

- LOP and priority cannot be determined in advance; individual package merits must be considered
- Work Packages are “feathered-in” during ranking process

Activity	Scope	Cost	PM	Contract	Priority	LOP	Frequency	Effort	Staffing
<b>MINIMUM ACTIVITIES ASSOCIATED WITH OWNING ASSETS THAT DO NOT PROVIDE MISSION PERFORMANCE OR DELIVERY OF ANY BENEFITS</b> (No Mission LOP: Funding required to prevent definable financial/legal penalty or prevent damage / protect property and infrastructure)									
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...
<b>ACTIVITIES PERFORMED AT THE CURRENT FREQUENCY, AT THE CURRENT LEVEL OF EFFORT AND/OR AT THE CURRENT STAFFING LEVEL</b> (Partial Mission LOP: Funding required to provide reasonable assurance that the project will maintain current level of performance)									
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...
<b>ACTIVITIES PERFORMED AT AN INCREASED FREQUENCY, AT A HIGHER LEVEL OF EFFORT AND/OR AT INCREASED STAFFING LEVEL</b> (Full Mission: Additional funding needed to provide an incremental increase to the current level of performance)									
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...

## No Mission activities

- Section contains Common O&M activities

## Partial Mission activities

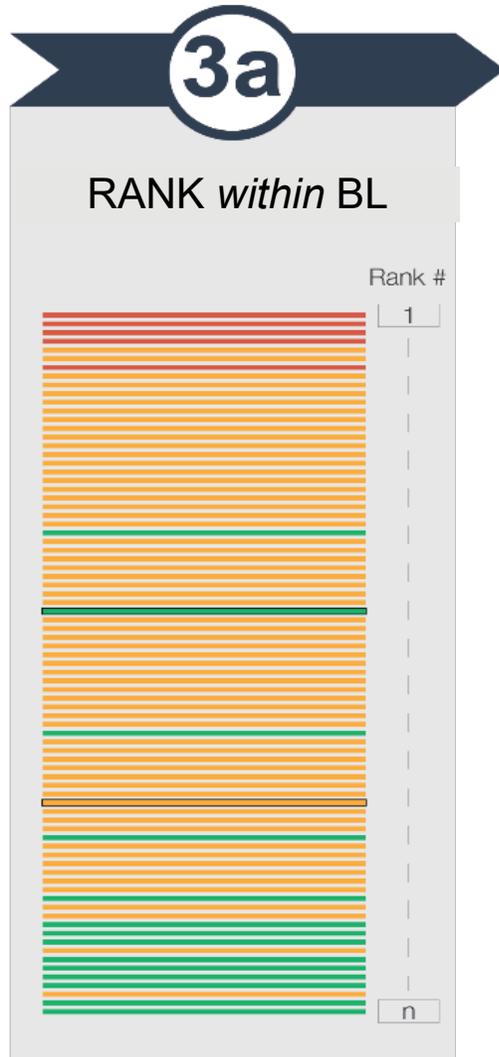
- Section contains Common O&M, Dredging, and Inspections at current levels

## Full Mission activities

- Section contains Common O&M, Dredging, and Inspection at expanded levels



# RANK TRADE-OFFS



Why rank a Full Mission package above a Partial Mission package?

Possible scenarios:

- A project has been historically underfunded compared to similar projects
- A project has been historically overfunded compared to similar projects
- A new or increased requirement due to a court order or new guidance

# DESIRED FUTURE STATE

- Cross-business line application – a fully integrated budget
- Better linkage to mission performance outputs
- More objective (consistent, transparent, repeatable)
- Improved understanding and justification of budget decisions
- Work packages formulated with enterprise consistency to allow comparison and prioritization
- Tracking of budget proposal through execution

# ONGOING WORK

- Tools that allow managers to link budget to execution
- Lifecycle portfolio management
- Operational risk tools for all business lines and all assets
- USACE value model
- Maintenance management tools that will inform Common O&M maintenance needs
- Transition O&M 20/20 sustainment and refinement efforts to Asset Management

Continue to improve O&M 20/20 based on lessons learned

# QUESTIONS?