

Improving The Partnership Process - Post WRDA 2007

**Presentation by
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Changes in Legislation, Policies and Procedures & Their Impact on Navigation Projects

- ⊕ Funding Constraints**
- ⊕ Independent Peer Review**
- ⊕ Cost Estimating**
- ⊕ Credit for Work In-Kind**
- ⊕ New Planning Models**
- ⊕ Presentation to the Civil Works Review Board**
- ⊕ Title II WRDA 2007 Provisions**
- ⊕ Title III & V WRDA 2007 Provisions**

Very Limited Funds Budgeted for Studies

- ✦ Slows down feasibility studies and results in stretch out of their completion: FY 2009 Budget contained one-third as much as FY1999**
- ✦ Results in further delays as new policies & legislative provisions require additional work**
- ✦ Significantly dilutes the Corps planning capabilities**

Very Limited Funds for PED

- ✦ **Negates the concept of “seamless funding”**
- ✦ **Delays preparing the project for construction**
- ✦ **Frequently requires updating of project economics prior to signing a cost sharing agreement**

Independent Peer Review

- ✦ **Corps guidance to the Field in 2005 and 2007 enabled the Corps to get a head start**
- ✦ **The most onerous provisions in certain early versions of WRDA bill were dropped or modified**
- ✦ **Districts have established plans for their studies**
- ✦ **Seems to be functioning pretty well**

Cost Estimating

- ⊕ **Traditional MCACES estimate turned out to be lacking**
- ⊕ **Section 902 Limit was exceeded too often and required a post authorization change and legislation increasing the cost**

Cost Estimating Cont.

- ⊕ **Cost Risk Analysis implemented in 2007 should result in improved cost estimates and reduce the number of times that PACs and Legislation are needed**
- ⊕ **Resolving appropriate contingencies can be time consuming, particularly with the fluctuating price of fuel oil**

Credit for Work In-Kind

- ✦ **Section 2003 broadens opportunities for Ports to accomplish work in-kind and receive credit toward the balance of the non-Federal share (see EC1165-2-208)**
- ✦ **The project must be authorized**
- ✦ **The work in-kind can take place before a PPA is executed**

Credit for Work In-Kind Cont.

- ✦ The work in-kind need not necessarily have been mentioned in the Chief's Report or in the authorizing legislation (See 9 examples in App.)
- ✦ Section 2003 of WRDA 2007 spells out procedures leading to signing of an MOU prior to work in-kind that commences after Nov. 7, 2007

New Planning Models

- ✦ **Have delayed completion of feasibility reports**
- ✦ **While there may be valid reasons for new models, studies should not be unilaterally delayed while new models are being developed and certified**
- ✦ **The goal of Section 2033 of WRDA is for the Corps to complete feasibility studies in 2 to 4 years**

Presentation to Civil Works Review Board

- ⊕ The goal was to have about 12 feasibility reports a year presented to the board
- ⊕ In FY2007, 5 reports were presented
- ⊕ In FY2008, 4 reports were presented
- ⊕ None of the FY2008 presentations have resulted in Chief's Reports thus far

Presentation to Civil Works Review Board Cont.

- ⊕ Preparation of required material is extensive and time consuming**
- ⊕ The result has been a delay in initiation of PED (even when funds have been appropriated)**

Title II WRDA 2007 Provisions

- ✦ Guidance has been issued for several Title II provisions of interest to Ports**
- ✦ Guidance pending on other provisions**
- ✦ For WRDA sections where guidance is pending AAPA should review drafts and have input before the guidance is final**
- ✦ Sections 2029, 2033 and 2036 are examples**

Section 5001 of WRDA 2007: Maintenance of Federal Navigation Channels

- ⊕ 10 projects listed in Section 5001 constructed navigation features that should be maintained by the Corps**
- ⊕ Section 5001 requires a study documenting the justification for the Federal assumption of maintenance**
- ⊕ Draft guidance was flexible as to the source of funds for the study/report**

Section 5001 of WRDA 2007: Maintenance of Federal Navigation Channels Cont.

- ⊕ We understand that final guidance is pending that will require the study to be treated as a feasibility study (50-50 cost sharing) and require a specific appropriation for the funding of the study

Need For Improvements

- ✦ Continuation of severely constrained budgets for studies and PED is the most serious problem the Ports are facing insofar as getting new projects authorized and ready for construction
- ✦ The goal of completing feasibility studies in 3-4 years has become a myth, even when studies do receive adequate funds

Need For Improvements Cont.

- ✦ The goal established by Congress to complete feasibility studies in 2-4 years cannot be achieved without adequate funds and the streamlining contemplated in Section 2033
- ✦ The challenge is how to streamline the planning process notwithstanding the requirements mandated by WRDA2007 and procedures introduced by the Corps



Thank You