

- Dave (Sanford) – always good to see you again. Ladies & Gentlemen, I'm glad to be here...
- These are exciting times for the Corps of Engineers, and for navigation.

*I. The Stimulus overall*

- President Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA) on FEB 17, 2009.
- ARRA directly appropriates \$4.6 billion for Civil Works. It provides USACE a tremendous opportunity to support our Nation and reflects the confidence our President and the Congress have in us to get the job done.
- In this Bill, the Administration and Congress recognize that many large civil works projects built over the past 100 years are at a point where normal maintenance is insufficient to operate them for the long term. A large capital investment is required to remedy deferred deficiencies and to prevent potential failures.

- To that end, we plan to reduce the backlog of maintenance and safety work at our locks, dams, and multiple purpose lakes, and at other coastal harbor, environmental, and hydropower projects.
- Our mission is to use stimulus funds to quickly return our fellow citizens to work while building lasting value in our Nation's water resources infrastructure.
- To accomplish this, we will use sound cost estimates, aggressively achievable schedules, innovative contracting, and timely execution.
- We are committed to open and transparent communication and have established a website at [www.usace.army.mil/recovery](http://www.usace.army.mil/recovery) so the Nation can see how their Stimulus dollars are being put to work.
- And we will continue to place public safety at the forefront of any effort we undertake with Stimulus funding.

- Although we have not yet finalized the list of projects, we are following the intent of the legislation by advancing projects that will:
  - Be obligated / executed quickly
  - Result in high, immediate employment
  - Have little schedule risk
  - Be executed by contract or direct hire of temporary labor
  - Complete either a project phase or a project, or will provide a useful service that does not require additional funding
- USACE economists estimate we will directly create about 11,500 jobs, with average annual wages of between \$38,000 and \$42,500, for every \$1 billion spent – or 52,900 jobs with our entire ARRA Civil Works package.

- They estimate an additional 14,900 jobs will be created for each \$1 billion spent (nearly 68,500 total) in industries supplying or supporting construction, operation, or maintenance activities and industries that sell goods and services to these workers and their families.
- Combining direct and indirect spending, USACE expects to create about 121,400 jobs from our Civil Works activities.
- The \$4.6 billion provided for the Civil Works Program includes \$2 billion for construction and \$2.075 billion for O&M. The Mississippi River and Tributaries account received \$375 million in appropriations.

## *II. Navigation specific*

- This is more than just dredging - the Navigation program also includes inland navigation with 241 locks and dams, coastal jetties, breakwaters and other structures and over 800 bridges.

- As for dredging, some have expressed concern with our ability to execute with only the 12 industry hopper dredges.
- But remember that hopper dredges perform only about 25% of channel maintenance dredging – pipeline dredges perform about 60% of the work and mechanical dredges do the remaining 15%.
- We are loading proposed dredging solicitations into our national Dredging Information System.
- We will conduct Regional meetings and a National dredging meeting to ensure we schedule to make maximum use of available equipment.
- I'm confident that USACE, working with our dredging industry partners, can successfully execute this level of dredging.
- We will monitor the degree to which Stimulus funds will bring about improved channel availability.
- The trend of reduced channel availability at our highest use projects is the result of funding that has not kept

pace with fuel, steel and other major components of dredging costs.

- So I'd like to thank AAPA for your support for full use of the Harbor Maintenance Trust Fund.
- HMTF revenues are nearly double what are presently being appropriated for coastal channel maintenance.
- I promise that with full use of these funds the Corps will provide improved channel availability of a greater number of projects.

### *III. MILCON & IIS*

- ARRA also provides more than \$3 billion in sustainment, restoration, and modernization funds for Army, Air Force, and DoD health facilities, but the specific amount that the Corps will execute is undetermined at this time.
- As DoD's construction agent, we have worked closely with DoD, Army, and Air Force program managers to refine project lists and timelines for project awards and construction schedules for the \$1 billion in ARRA MILCON we will execute.

- USACE anticipates awarding contracts for child development centers, Warrior in Transition complexes, family housing, troop billeting, and hospitals.
- The Act also provides \$555 million for expanding the Homeowners Assistance Program to provide assistance to relocating military service members, civilian employees, and their families who face financial loss due to the ongoing housing crisis.
- Our Real Estate team is working with OSD and the Services in development of policy guidance for implementing these new authorities provided in the ARRA.
- Military Programs has also received requests from several non-DoD agencies for an additional \$750 million under our Interagency & International Services Program, and requests are still coming in.
- This is an unprecedented time for the Corps in its service to the Nation. In addition to work under the stimulus bill, we will continue to execute our ongoing national and international military and civil missions.

- That work includes our support to the Global War on Terror, the largest military construction program since World War II, and the ongoing support to the recovery of the Gulf Coast from Hurricanes Katrina and Rita.
- We have a significant mission ahead and we are confident we will deliver.
- Thanks for your support.