

AAPA Facilities Engineering Seminar
November 8-10, 2011
New Orleans, LA

“The Challenge of Dredging Deeper”



Alliance of the Ports of Canada, the Caribbean,
Latin America and the United States

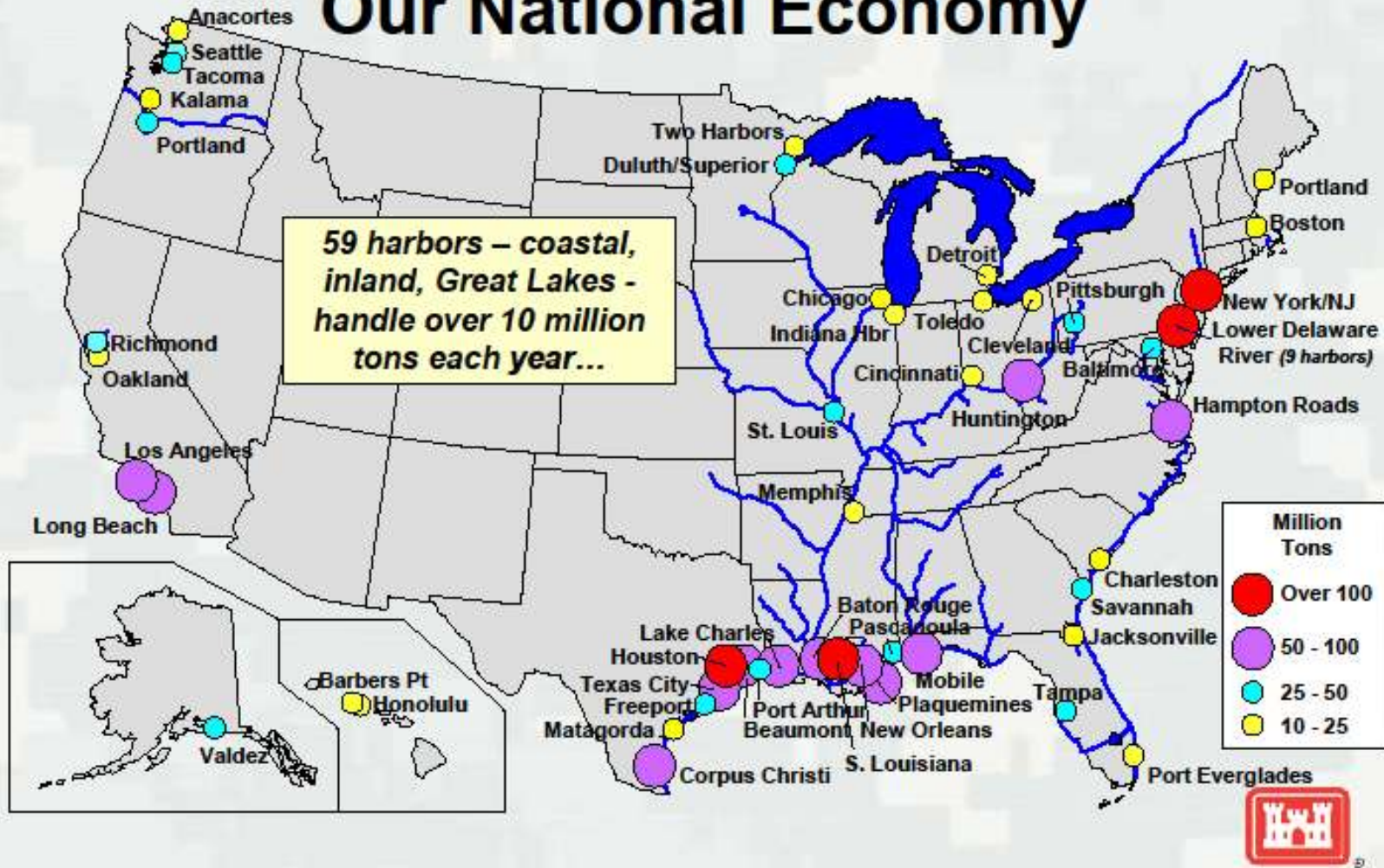
Data sources from USACE

Dwight A. Beranek, P.E., CFM
Senior Advisor
Dawson & Associates

Ports/USACE Challenges

- Shortage of funding
- Uncertainty of outcome
- Length and complexity of federal planning process
- Suggestions for overcoming the challenges

U.S. Ports: Vital to Trade and Our National Economy



USACE Program Trends and FTEs

FY 00 – FY 12



* Includes Military , Civil+Supplemental, and SFO
** FY11 Constant Dollars



USACE Water Resources Priorities*

- Protect, develop and restore the Nation's water and related land resources
- Deliver National water resources projects
- Operate and maintain existing Corps projects
- Train and prepare for emergency response needs
- Enable ports to handle doubling of exports from FY2010 to FY2015**

*Not in order of priority

**Executive order 13514

USACE Civil Works Budget (by appropriations)

Appropriation	FY09	FY09	FY10	FY10	FY11	FY11	FY12
	Budget	Approp	Budget	Approp	Budget	Approp	Budget
Construction	1,402	2,142	1,718	2,031	1,690	1,793	1,480
O&M	2,475	2,202	2,504	2,400	2,361	2,366	2,314
Investigations	91	168	100	160	104	127	104
Miss. R. & Tribs.	240	384	248	340	240	264	210
Regulatory	180	183	190	190	193	190	196
Flood/Coastal Em.	40	0	41	0	30	0	27
FUSRAP	130	140	134	134	130	130	109
Expenses	177	179	184	185	185	185	185
ASA(CW)	6	4	6	5	6	5	6
TOTAL	4,741	5,402	5,125	5,445	4,939	5,060	4,631*

USACE Civil Works Program

FY12 Budget Request

Deliver enduring, comprehensive, sustainable, and integrated solutions to the Nation's water resources and related challenges through collaboration with our stakeholders (Regions, States, Localities, Tribes, Other Federal Agencies)



Lock and Dam 15 (Mississippi River)



Flood Wall (Williamson, KY)



Everglades



Dredge ESSAYONS (Coos Bay, OR)



Lake Seminole (Mobile District)



Bonneville II Powerhouse (Washington)

(\$1.575 B) Navigation (34%)

**(\$1.447 B) Flood Risk (31%)
Management**

**(\$742 M) Ecosystem (16%)
Restoration & Infrastructure**

(\$182 M) Hydropower (4%)

**(\$259 M) Recreation & Natural (6%)
Resource Management**

**(\$196 M) Regulatory Program: (4%)
Wetlands & Waterways**

**(\$34 M) Disaster Preparedness (0.7%)
& Response**

(\$6 M) Water Supply (0.1%)

(\$185 M) Expenses (3%)

Navigation Funding – Pres Budget (\$million)

Pres Bud	Coastal	Inland	Nav	CW total	Nav Percent
FY12	\$832	\$744	\$1576	\$4631	34
FY11	\$873	\$779	\$1652	\$4939	33
FY10	\$971	\$796	\$1767	\$5125	35
FY09	\$969	\$931	\$1900	\$4741	40
FY08	\$957	\$1057	\$2014	\$4900	41

THE TREND is declining funds

Navigation down 22% in the last 5 years.

Reductions masked by ARRA funding in FY09 and FY10

Flood Damage Reduction increased due to DSAC results; Environment also increased.



USACE Planning Process

- Current pre-authorization planning takes 6 years
- Pilot program will work within current statutory and regulatory framework
- By reengineering and streamlining the process USACE intends to shorten the process to 18-24 months
- Pilot projects initiated including one navigation project
 - Palm Beach Harbor (Lake Worth Inlet)

NEW PARADIGM: PREAUTHORIZATION STUDY PROCESS

CURRENT PLANNING PROCESS: 6+ YEARS (approximate timeframes)



REVISED PLANNING PROCESS: 2 YEAR (approximate timeframes)



The revised process consolidates key decisions into the early part of the study process, allowing for more clear scoping and focused attention on relevant details. It integrates early decision making with more flexible analysis and emphasizes focused risk management strategies.



PLANNING DECISION TREE

STEP 1:
Identify Problem, Need, Scope

FEDERAL
PROBLEM
ASSESSMENT

STEP 2:
Assess Significance,
roles and responsibilities

STEP 3:
Decision Point 1: Federal
Interest & Scope

STEP 4:
Study Specific
Technical analysis

STEP 5:
Decision Point 2:
Recommendations & Investment

Close Out
Track

Technical
Track

Authorization
Track

No Federal
Interest

Federal
Interest/Limi
ted USACE
Interest

Federal
Interest and
USACE
Interest

Terminate
Study

Defer
Study

Technical
Support

Watershed
Study

USACE
INVESTMENT
RECOMENDATION

To Decision Point 1:
Federal Interest Determination

To Decision Point 2:
USACE Recommendations or Investment
Decision

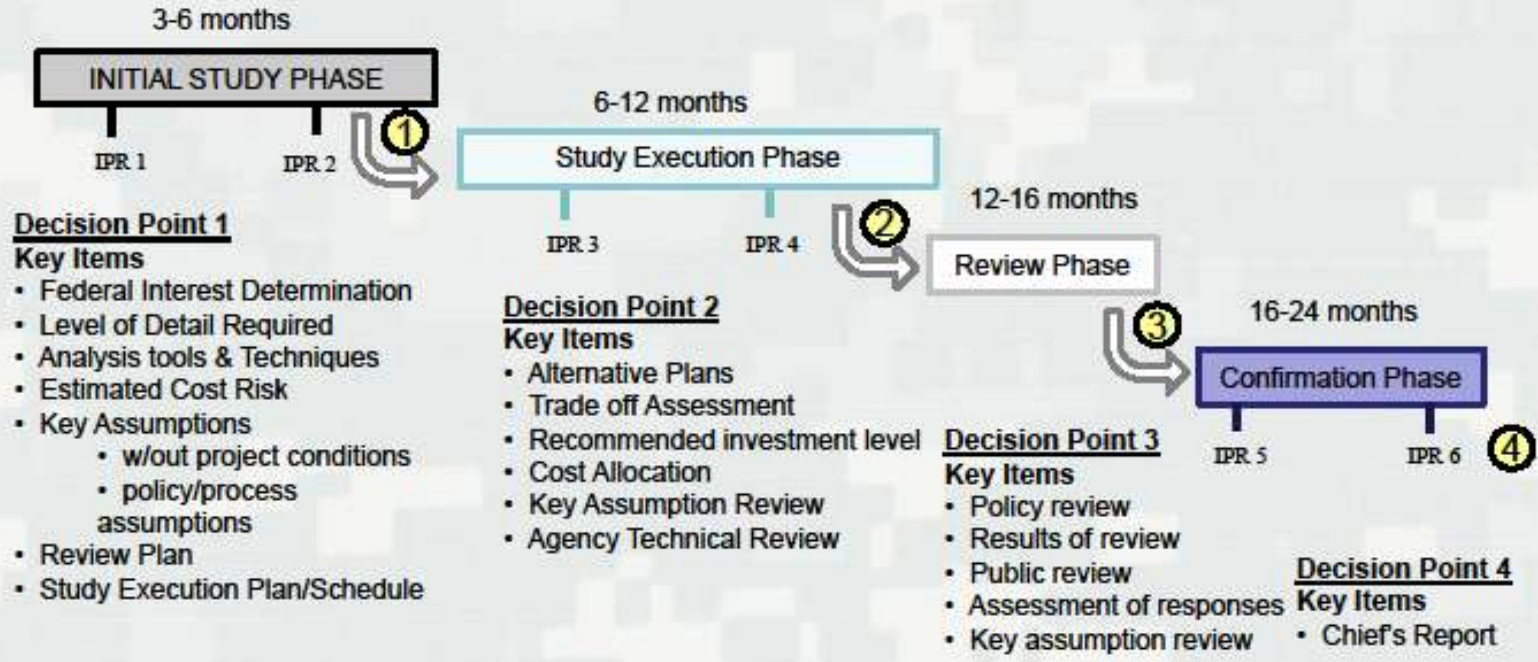
3-6 months

6-12 months

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What Does It Look Like ?



- Decision Point 1**
Key Items
- Federal Interest Determination
 - Level of Detail Required
 - Analysis tools & Techniques
 - Estimated Cost Risk
 - Key Assumptions
 - w/out project conditions
 - policy/process assumptions
 - Review Plan
 - Study Execution Plan/Schedule

- Decision Point 2**
Key Items
- Alternative Plans
 - Trade off Assessment
 - Recommended investment level
 - Cost Allocation
 - Key Assumption Review
 - Agency Technical Review

- Decision Point 3**
Key Items
- Policy review
 - Results of review
 - Public review
 - Assessment of responses
 - Key assumption review

- Decision Point 4**
Key Items
- Chief's Report



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Summary

- U.S. Ports are a critical asset for the economy
- Administration has set a goal to double exports in five years
- Panama Canal expansion offers extraordinary opportunities for Ports
- U.S. Port modernization is underway and must continue to remain competitive
 - Some federal channels need to be deepened to accept larger ships
- USACE plays a vital role in harbor modernization
 - USACE funding for navigation projects in decreasing
 - USACE business process are complex and time intensive
- Ports and USACE need to establish a “new paradigm” to achieve port modernization potential

Suggestions

- Evaluate plausible port scenarios
 - Explore infrastructure options
 - Use the NEPA framework as a guide
- Collaborate with USACE leadership
 - Support pre-authorization planning re-engineering
 - Alternative funding and contracting methods
 - Public Private partnerships
 - Design-Build projects
- Seek investment partners
 - Private financing is critical
 - Reduce federal funding requirements
- Build an enduring coalition
 - Key political, financial and business partners
 - Representing broad perspectives

For More Information Contact

Dawson and Associates
1225 I Street NW Suite 250
Washington, D.C. 20005
(202) 389-8683
www.dawsonassociates.com

Dwight Beranek, P.E.
5848 Covey Court
Bradenton, FL 34203
(941) 739-0261
www.dberanek@dawsonassociates.com
www.dwight.beranek@gmail.com

U.S. Army Corps of Engineers
www.usace.army.mil