



# DDNPCX UPDATE

## AAPA H&N Sub-Committee Meeting

Washington, D.C.  
September 27 & 28, 2018

***“Enterprise Delivery Through  
Leveraging Interdependence”***

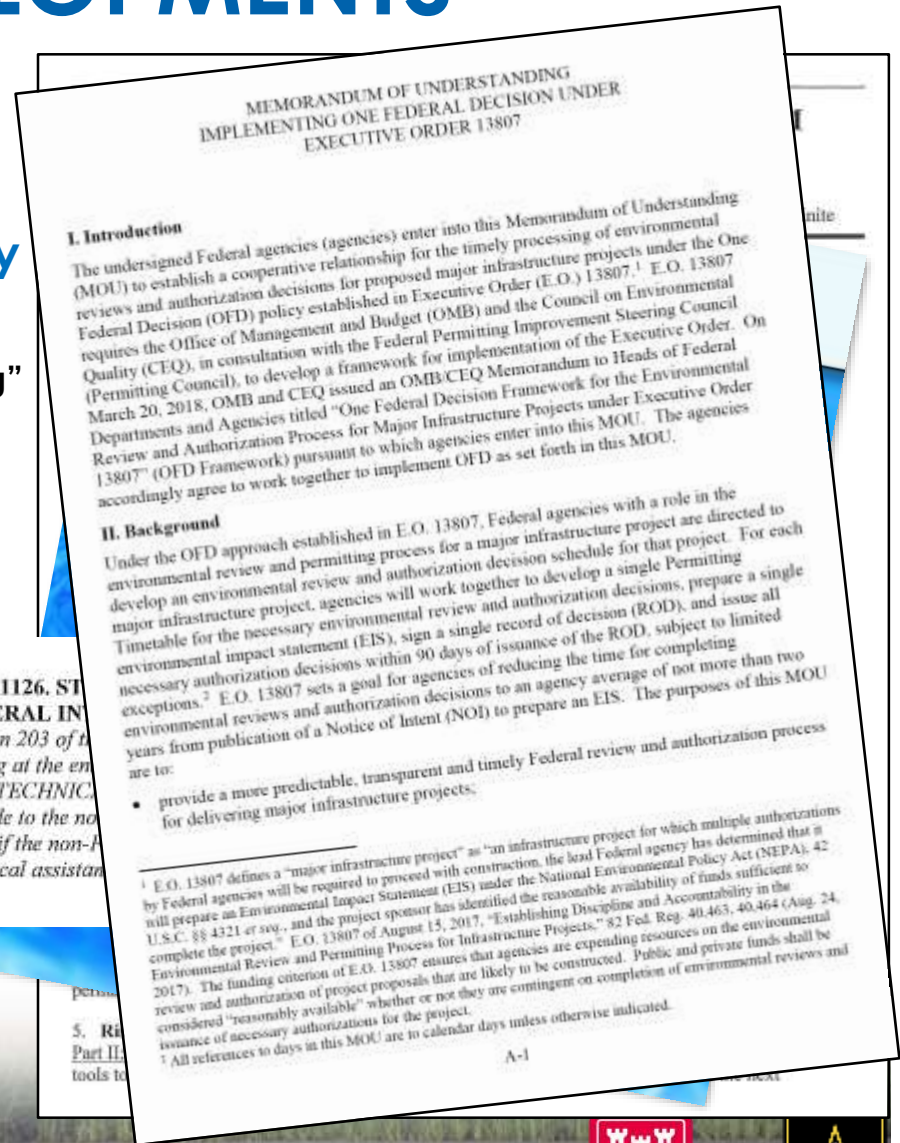


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# NEW DEVELOPMENTS

- **Risk-Informed Planning (July 2017)**
  - Re-frames Planning process
  - Emphasis on risk analysis
- **Risk-Informed Decision Making (May 2018)**
  - “Operationalize risk informed decision making”
  - All elements, all programs
  - Make decisions to accept risk
  - All reviews by MSCs
  - Approvals delegated
- **Section 203/204 WRDA 1986**
  - **203: Studies by non-Federals**
    - Limited Technical Assistance
    - Updating policy guidance
  - **204: Construction by non-Federals**
- **“One Federal Decision”**
  - Executive Order 13807, August 2017
  - Two year goal
  - USACE Implementation Guidance in prep





# NEW WORK

## 2018 Emergency Supplemental

- **USACE PROGRAM**
  - \$15B for Construction
    - \$10B to hurricane impacted states
  - \$135M for Studies
    - \$75M in hurricane impacted states
  - \$770M for MR&T
  - \$608M for O&M
  - \$810M for FCC&E
- **USACE ENTERPRISE RESPONSE**
  - “Principles for Delivery”
- **ASA(CW) POLICY GUIDANCE**

## FY18 Appropriation: “Turn Dirt!”\*

- **\$6.8B**
  - \$4.6B to specific projects/programs
  - \$1.7B allocated by USACE (Work Plan)
    - \$956M Navigation
    - \$541M Flood Risk
- **Funds studies to completion**
- **3 “new start” navigation studies**
- **2 “new start” flood risk studies**

\*Details: <https://www.usace.army.mil/Media/News-Releases/News-Release-Article-View/Article/1546721/us-army-corps-of-engineers-releases-work-plan-for-fiscal-2018-civil-works-appro/>

**DIRECTOR'S POLICY MEMORANDUM**  
**CIVIL WORKS/MILITARY PROGRAMS**

**US Army Corps of Engineers**

No. DPM CW/MP 2018-02 Issuing Office: CECW-1 Issued: 6 April 2018 Expires: 30 May 2019

**SUBJECT:** “New Work” WL/WF Assessment and Capacity/Competency Analysis

**CATEGORY:** Directive

**REFERENCES:** OPORD 2013-26

1. **Purpose.** USACE has received a large influx of New Work that was not previously addressed in our normal USACE WL/WF assessment. In order to ensure that USACE delivers on our commitments, it is necessary to include this new work into our WL/WF Assessment. This new work is of such a magnitude that it may stress our existing workforce capacity. It may require organizational adjustments and leadership focus in order for USACE to sustain a high level of confidence that we will deliver our projects; on schedule, on budget, and at the required standard of quality. Therefore, we intend to conduct an enterprise WL/WF Assessment for this work that was not previously included in our existing WL/WF analysis and to discuss the analysis at the 3<sup>rd</sup> Quarter Fiscal Year 2018 EGM. In order to support meaningful and informed discussion at the EGM, the assessment must be completed on an aggressive timeline.

2. **Applicability.** This “New Work” WL/WF Assessment and Capacity/Competency Analysis will apply to all Civil Works and Military Programs.

3. **Policy.**

USACE will immediately implement an enterprise workload to workforce assessment process (WF/WF), similar to the process described in USACE OPORD 2013-26, that continues throughout FY18 to provide a common operating picture of workload/workforce trends, issues, and efforts, as well of COAs to address the requirements.

a. **Directors' Intent.** We will utilize the existing USACE WL/WF process to assess the competency and capacity of the USACE workforce to accomplish the projected influx of new work including the Border Wall, HIM Storm Supplemental, DVA and the yet to be identified CW Infrastructure program. This assessment will enable USACE to achieve future mission success by utilizing proactive planning and implementation strategies in the areas of workforce capacity, competency, and balance. Accurately assessing and rating functional areas are critical; as is ensuring rating alignment with the narrative comments.

b. **Principles for Delivery.** Emergency Supplemental Funds appropriated in Public Law 115-123 are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985. As such, USACE will take all steps necessary to deliver the Emergency Supplemental in an expeditious manner. The objective is for USACE to **Drive Project Delivery** resulting in completing projects in as short a period of time as legally and technically possible. Every day that a project is not generating project benefits is an additional day that the Nation and its

Hurricane tracks within a 50-mile radius of Jupiter, Florida (156-year period)



# NAVIGATION PROGRAM CHALLENGES

- **Cost Growth**
  - High Contingencies
  - BCRs/Budgetability
  - Awardable Contracts
- **Industry Trends**
  - Deepening & Widening Needs
  - Consolidation & Nodes
  - NED Benefits + Other Benefits
- **Environmental Compliance**
  - Listed Species/Habitats
  - Consultations/Workload
  - Cost Growth
  - Risk of Litigation
- **Regional Sediment Management**
  - Crossing Mission/Business Lines
  - Federal Standard: Who Pays?
- **Safety**
  - Recent uptick in serious injuries
  - Detailed hazard analysis + training
  - Monitor environmental conditions

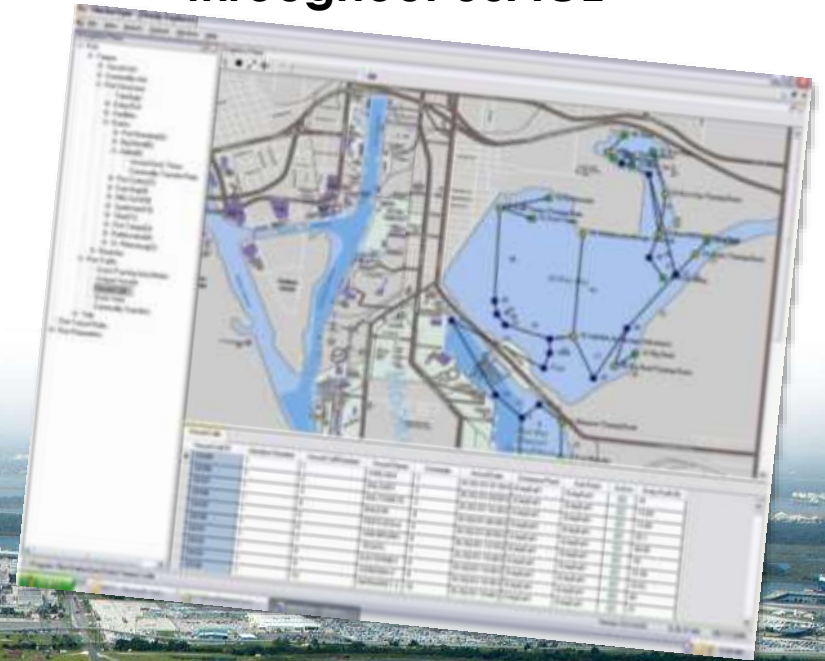






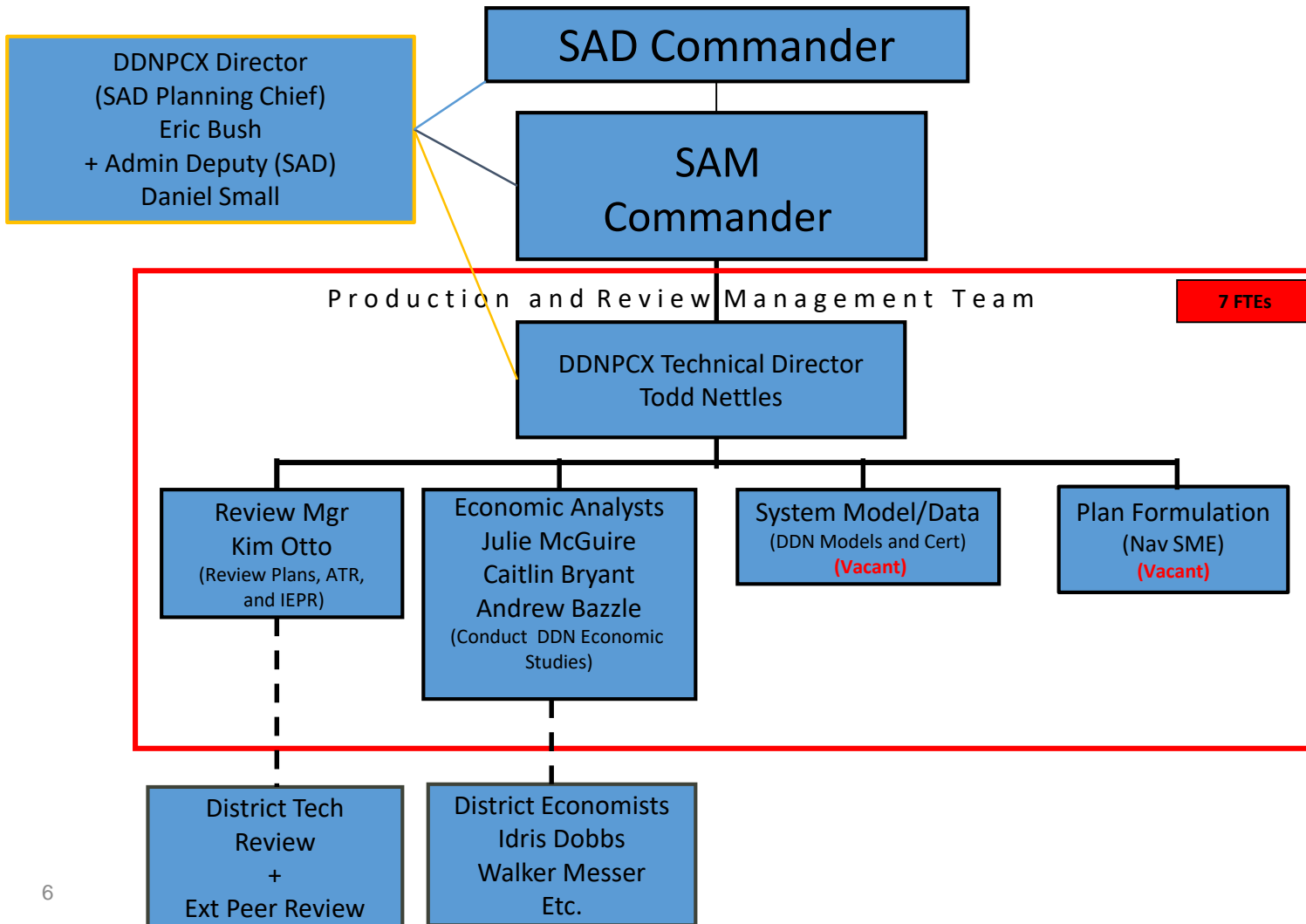
# DEEP DRAFT NAVIGATION NATIONAL PLANNING CENTER OF EXPERTISE

- **Mandatory National PCX established by OPOD 2012-15**
  - **Responsible for economic analysis (production) and conduct of reviews**
    - **Economic Model: HarborSym**
  - **18 Feasibility Studies**
- **Directed by SAD Planning Chief**
  - **Technical Deputy: Todd Nettles**
  - **Admin Deputy: Daniel Small**
- **Located in Mobile District**
  - **Staff of 5 and two interns**
  - **Leverages capability throughout USACE**



**Unofficial Motto: “We have a higher probability of being less wrong.”**

# DDNPCX ORGANIZATION CHART SEP 2018



# EMERGING NAVIGATION ISSUES

- **Beyond Post-Panamax**
  - Consolidation/Fleets
  - Industry Preference vs Economic Justification
  - Wideners
- **USACE Port Modernization Study Update (Draft)**
- **Section 203/204 Studies and Construction by non-Federal interests**
  - Limited technical assistance
- **Efficient Funding**
- **Competing Priorities**



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# PORT MODERNIZATION UPDATE

## Highlights

- **2012 Report directed by Congress**
  - In anticipation of Panama Canal expansion
- **2016: Panama Canal complete**
- **2018 Update (still in final review):**
  - *Increase in LNG & petroleum exports*
  - *Environmental concerns*
    - ❑ *Climate Change*
      - Effects on species/habitat
    - ❑ *Arctic Shipping*
  - *Acknowledgement of larger vessels*



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