

USACE Navigation Program

*AAPA Harbors & Navigation
Meeting
Jacksonville, FL*

Jeff McKee
Chief, Navigation & Operations Branch
HQUSACE

September 18-19, 2013



US Army Corps of Engineers
BUILDING STRONG®



Corps Navigation Mission

Provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of commerce, national security needs, and recreation.



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USACE Navigation Assets

INLAND NAVIGATION

27 Inland River Systems

207 lock chambers @ 171 lock sites

12,000 miles of inland river channels

COASTAL NAVIGATION

1067 Navigation Projects

19 lock chambers

13,000 miles of channels

929 navigation structures

844 bridges



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Current Infrastructure Situation

- Channels and harbors are not maintained to authorized dimensions
- Much of our economic and physical security and quality of life depends on infrastructure that is wearing out faster than it is being replaced or rehabilitated.
- Decreasing reliability of locks and other navigation infrastructure impedes transportation of goods.
- A direct relationship exists between increasing age and increasing needs for maintenance, rehabilitation, replacement and repurposing.
- 21st Century needs are different or greater than those of the last century.



National Priorities/Goals

- A. Reduce the Deficit²
 - B. Create Jobs and Restore the Economy²
 - C. Improve Resiliency and Safety of Infrastructure²
 - D. Restore and Protect the Environment²
 - E. Maintain Global Competitiveness^{1,2}
 - F. Increase Energy Independence^{1,2}
 - G. Improve Quality of Life^{1,2}
- Navigation has a key role in all of these!

¹President's 2011 State of the Union Address

²2011 National Security Strategy



FY 14 Navigation National Program Environment

- Need investment in reliable and resilient infrastructure for Freight Movement
- Navigation program aligns with all 7 National priorities/goals
- Collaboration with DOT – Sec LaHood’s goal to keep commerce on the water as long as possible
- National Exports Initiative – requires Reliable and Resilient navigation infrastructure and significant maintenance and dredging investment (O&M)
- Panama Canal opening 2015
- Risk Increasing/Reliability Decreasing
 - ▶ Channel availability is inadequate
 - ▶ Lock closures due to mechanical failures continue to increase



President's Budgets

(\$millions)

Pres Bud	Coastal	Inland	Nav	CW total	Nav Percent
FY 14	\$980	\$904	\$1884	\$4826	39
FY13	\$967	\$780	\$1,747	\$4,731	37
FY12	\$832	\$744	\$1,575	\$4,631	34
FY11	\$873	\$779	\$1,652	\$4,939	33
FY10	\$971	\$796	\$1,767	\$5,125	35
FY09	\$969	\$931	\$1,900	\$4741	40
FY08	\$957	\$1052	\$2,009	\$4,900	41



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Budget by Appropriations

(\$million)

Pres Bud	Investigations	Construction	O&M	MR&T	Total Nav
FY 14	\$23	\$345	\$1,461	\$55	\$1,884
FY13	\$25	\$352	\$1,326	\$44	\$1,747
FY12	\$18	\$283	\$1,237	\$37	\$1,575
FY11	\$19	\$291	\$1,297	\$45	\$1,652
FY10	\$19	\$288	\$1,411	\$48	\$1,767
FY09	\$20	\$495	\$1,346	\$39	\$1,900
FY08	\$19	\$572	\$1,383	\$35	\$2,009

FY 13 Appropriations

- Year-long Continuing Resolution
- Subject to Sequestration ~ 5%
- Investigations - \$22 M
- Construction - \$370 M
- O&M - \$1.35 B
- MR&T - \$44 M
- Total - \$1.786 B



FY 13 Hurricane Sandy Supplemental Appropriations

- \$5.35 Billion - Focus is on Flood Risk Management projects
 - ▶ Investigations - \$50 M - Flood Risk
 - ▶ Construction - \$3.461 B – Flood Risk
 - ▶ O&M - \$821 M Dredging & damages nation-wide
 - \$197 M allocated to Navigation projects to date
 - ▶ FCCE - \$1.008 B – Flood Risk
 - ▶ General Expenses - \$10 M



FY 14 Navigation by Account (\$millions)

	Investigations	Construction	O&M	MR&T	Total Nav
Pres Bud	\$23	\$345	\$1,461	\$55	\$1,884
House	\$24	\$353	\$1,560	\$52	\$1,989
Senate	\$38	\$421	\$1,623	\$60	\$2,142



Funding Uncertainty

- FY 2014 Appropriations
 - ▶ Likely Continuing Resolution through mid-December 2013
 - ▶ Appropriation?
 - ▶ Year-long Continuing Resolution?
- Debt Ceiling?
- Sequestration?
- Corps Civil Works funding likely to decrease in future



Trends

- Continuing Pressure on Budget
 - Entitlement Programs
(Medicare, Medicaid, Social Security)
 - Interest on the National Debt
 - Discretionary funding targeted
- Cost of Infrastructure Recapitalization
 - Improved Inspection Techniques
 - Modern Design Standards
 - Cost of meeting ESA and other legal requirements
- Cost of Construction Inflating Faster than CPI
 - Fuel, Steel, Concrete
 - Expanding worldwide demand



Stakeholders and Partnering

- Leverage efforts - Value to Nation
- Find consensus for major initiatives
 - Funding to reach desired outcomes
 - Need for legislation – WRDA, HMTF, IWTF, Appropriations
 - Engage in Transformation
- Be mutually supportive
- Shared Messages
- Involve & engage end-users
- Seek to influence decision-makers



Summary

- Navigation funding is an essential component for the Nation's Global trade
- HMTF needed for future channel maintenance
- America's Marine Transportation System infrastructure must become a National priority in order to get adequate funding
- Need national commitment to shipping, global trade and navigation infrastructure
- Current business model is not sustainable – need public/private investment and/or divestiture
- Navigation funding is key to Economy, Jobs, and Exports!

