

USACE NAVIGATION BUDGET AND FUNDING

For 2019 WEDA Gulf Chapter

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USACE IWR
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US Army Corps
of Engineers®



USACE: STAYING WORLD CLASS NOW AND INTO THE FUTURE



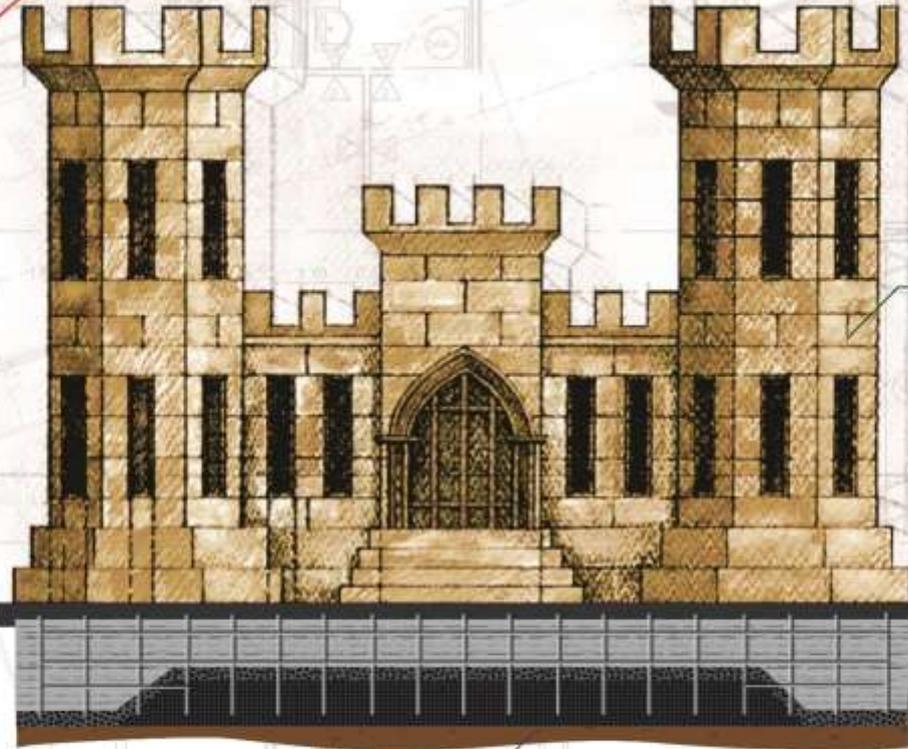
US Army Corps of Engineers

ACHIEVE OUR VISION

Anticipate future conditions; take actions today to always be ready come what may.

USACE VISION

Engineering Solutions for the Nation's Toughest Challenges



DELIVER THE PROGRAM

Our credibility is based on our ability to achieve desired results on time and on budget.

USACE MISSION

Deliver vital engineering solutions, in collaboration with our partners, to secure our Nation, energize our economy, and reduce risk from disaster.

MISSION AREAS

- Military Programs
- Civil Works
- Geospatial Support
- Contingency Operations
- Research and Development

STRENGTHEN THE FOUNDATION

Doing routine tasks to a high standard enables everything else. A strong foundation empowers leaders to think strategically.

We aspire to remain a WORLD-CLASS organization, now and into the future, by setting the professional standard and stepping-up as a reliable Federal option. Perhaps the MOST STRATEGIC thing we can do is to simply DELIVER OUR PROGRAM...with exceptional quality, on time, and on budget.



USACE NAVIGATION MISSION

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





USACE NAVIGATION MISSION

- USACE is responsible for maintaining and improving:
 - ~12,000 miles of shallow draft (9'-14') inland and intracoastal waterways
 - ~13,000 miles of deep-draft (14' and greater) coastal channels
 - 400 ports, harbors, and turning basins
 - 239 Locks and Dams (inland and coastal)
 - 800+ Bridges
- **DREDGING is essential to keeping waterways and ports open**
- Dredging phases
 - Project planning
 - Advertising
 - Bidding
 - Contract award
 - Post Performance – surveying and payment, etc.

What USACE Needs to Do Business



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• AUTHORIZATION

—Specific such as Water Resources (and Reform) Development Acts (WRDAs), and WRRDA

– WRDA of 1986

– WRRDA of 2014 (10 June 2014)

– WRDA of 2016, or Water Infrastructure Improvements for the Nation or WIIN (16 December 2016)

– WRDA 2018 (23 October 2018)

– WRDA 2020???

—Accompanying Corps Reports (Chief's Reports)

—Generic or Blanket Legislation such as NEPA, CWA, ESA

Rivers & Harbors/Flood Control Act of 1944, dated 22 Dec 1944

(Sec 4 – Recreation): “...is authorized to construct, maintain, and operate public park and recreational facilities at water resources development projects under the control of the Dept of the Army...”

What USACE Needs to Do Business

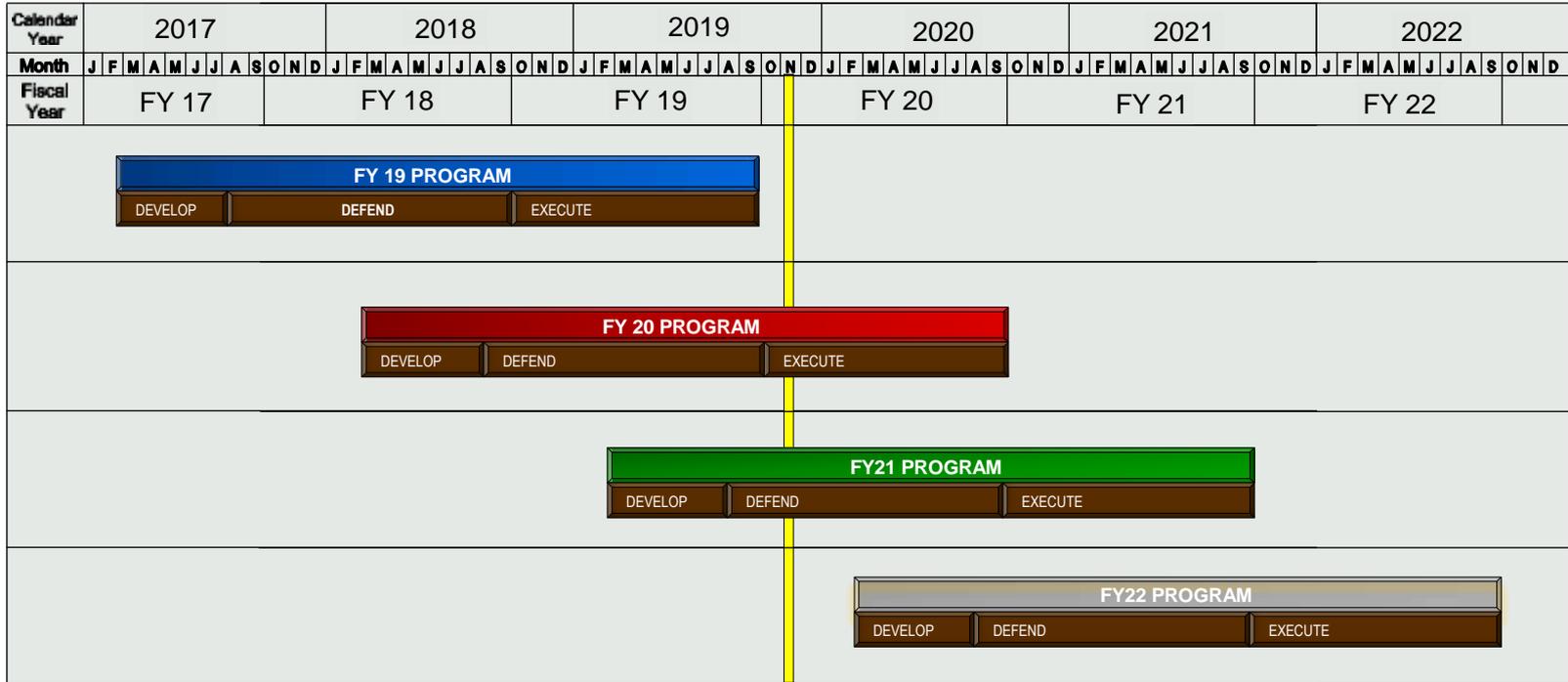


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- **APPROPRIATIONS (\$\$\$)**
 - Annual
 - Energy & Water Development Appropriations Acts
 - Continuing Resolution Acts
 - “Work Plans” (funding pots)
 - Omnibus
 - Emergency
 - Supplemental – Recovery Act (ARRA) type (unusual)



Civil Works Program/Budget Timeline





Funding Challenges & Uncertainty

- **FY 2020 – Continuing Resolution thru 21 Nov 2019**
- **FY 2019 – E&WD Appropriations Act – 21 Sept 18**
- **FY 2018 Omnibus Appropriations Act - 24 Mar 18**
 - Continuing Resolution thru 23 Mar 18
- **FY 2017 E&WD Appropriations Act - 5 May 17**
 - Work Plan released 24 May 2017, following CRAs
- **FY 2016 E&WD Omnibus Appropriations Act (Work Plan), following CRA**
- **FY 2015 CROmnibus Appropriations (Work Plan)**
- **FY 2014 Omnibus Appropriations (Work Plan)**
- **Federal Shutdown, Furloughs**
- **FY 2013 Appropriations (Year-long CRA, 27 Mar 13)**
 - Sequestration enacted 1 March 13



USACE Navigation Budgetary Challenges

- Constrained Funding - cannot maintain authorized/constructed channel dimensions and Nav infrastructure
- Funding for commercial Low Use projects
- Increased cost of doing business
 - Common O&M cost escalations
 - Dredging
 - Additional O&M Post-Panamax
- Aging infrastructure
- Environmental Issues
 - Air and water quality requirements
 - Threatened, endangered, and invasive species
 - Dredging windows





PRESIDENT'S BUDGETS (\$Millions)



Fiscal Year	Coastal	Inland	Nav	CW total	Nav Percent
FY 20	\$1,455	\$853	\$2,308	\$4,827	48%
FY 19	\$1,080	\$850	\$1,930	\$4,785	42%
FY 18	\$1,079	\$1,019	\$2,098	\$5,002	42%
FY 17	\$1,017	\$917	\$1,934	\$4,620	42%
FY 16	\$973	\$974	\$1,947	\$4,732	41%
FY 15	\$991	\$834	\$1,825	\$4,561	40%
FY 14	\$980	\$904	\$1,884	\$4,826	39%
FY 13	\$967	\$780	\$1,747	\$4,731	37%
FY 12	\$832	\$744	\$1,575	\$4,631	34%
FY 11	\$873	\$779	\$1,652	\$4,939	33%



NAVIGATION BUDGET BY ACCOUNT (\$Millions)



Fiscal Year	Investigations	Construction	O&M	MR&T	Total Nav
FY 20	\$14	\$625	\$1,635	\$34	\$2,308
FY 19	\$14	\$176	\$1,706	\$33	\$1,930
FY 18	\$19	\$310	\$1,717	\$52	\$2,098
FY 17	\$22	\$348	\$1,527	\$37	\$1,934
FY 16	\$25	\$321	\$1,563	\$38	\$1,947
FY 15	\$22	\$277	\$1,487	\$39	\$1,825
FY 14	\$23	\$345	\$1,461	\$55	\$1,884
FY 13	\$25	\$352	\$1,326	\$44	\$1,747
FY 12	\$18	\$283	\$1,237	\$37	\$1,575
FY 11	\$19	\$291	\$1,297	\$45	\$1,653



PRESIDENT'S BUDGET



INLAND NAVIGATION (\$Million)

Year	Investigations	Construction	O&M	MR&T	Total Inland
FY 20	\$6	\$138	\$679	\$29	\$852
FY 19	\$7	\$37	\$778	\$28	\$850
FY 18	\$8	\$177	\$784	\$50	\$1,019
FY 17	\$8	\$243	\$631	\$35	\$917
FY 16	\$7	\$240	\$691	\$36	\$974

COASTAL NAVIGATION (\$Million)

Year	Investigations	Construction	O&M	MR&T	Total Coastal
FY 20	\$8	\$487	\$956	\$5	\$1,455
FY 19	\$7	\$139	\$934	\$0	\$1,080
FY 18	\$11	\$133	\$933	\$2	\$1,079
FY 17	\$14	\$105	\$896	\$2	\$1,017
FY 16	\$18	\$81	\$872	\$2	\$973



PRESIDENT'S BUDGET & APPROPRIATIONS NAVIGATION (\$Million)



Fiscal Year	Investigations	Construction	O&M	MR&T	Total
FY 20 Approp	*** No FY 20 Appropriations to Date; CRA thru 21 Nov 2019 ***				
FY 20 Budget	\$14	\$625	\$1,635	\$34	\$2,308
FY 19 Approp	\$41	\$816	\$2,365	\$74	\$3,296
FY 19 Budget	\$14	\$176	\$1,706	\$33	\$1,930
FY 18 Approp	\$39	\$757	\$2,207	\$94	\$3,097
FY 18 Budget	\$19	\$310	\$1,717	\$52	\$2,098
FY 17 Approp	\$38	\$644	\$1,937	\$51	\$2,670
FY 17 Budget	\$22	\$348	\$1,527	\$37	\$1,934
FY 16 Approp	\$37	\$580	\$1,946	\$47	\$2,610
FY 16 Budget	\$25	\$321	\$1,563	\$38	\$1,947



Navigation Work Plans

- **FY 14 - \$ 385 million increase**
- **FY 15 - \$ 523 million increase**
- **FY 16 - \$ 684 million increase**
- **FY 17 - \$ 736 million increase**
- **FY 18 - \$ 853 million increase**
- **FY 19 - \$ 1,293 million increase**
- **FY 20 - \$??? increase**



FY 2019 Appropriations for Navigation

Description	Funding Increase
Navigation O&M:	
General	\$ 24M
Deep Draft Harbors & Channels	\$ 475M
Inland Waterways	\$ 40M
Small, Remote & Subsistence	\$ 54M
Donor & Energy Transfer Ports	\$ 50M
Other Authorized Purposes*	\$ 50M
Navigation Investigations	\$ 25M
Navigation Construction	\$ 509M
From IWTF	\$ 111M
Navigation MR&T:	
Dredging	\$ 5M
Other Authorized Purposes*	\$ 40M
Total Navigation Increases in FY 2019	\$1,293M
Omnibus Act	

*Funding will be split between multiple Business Lines

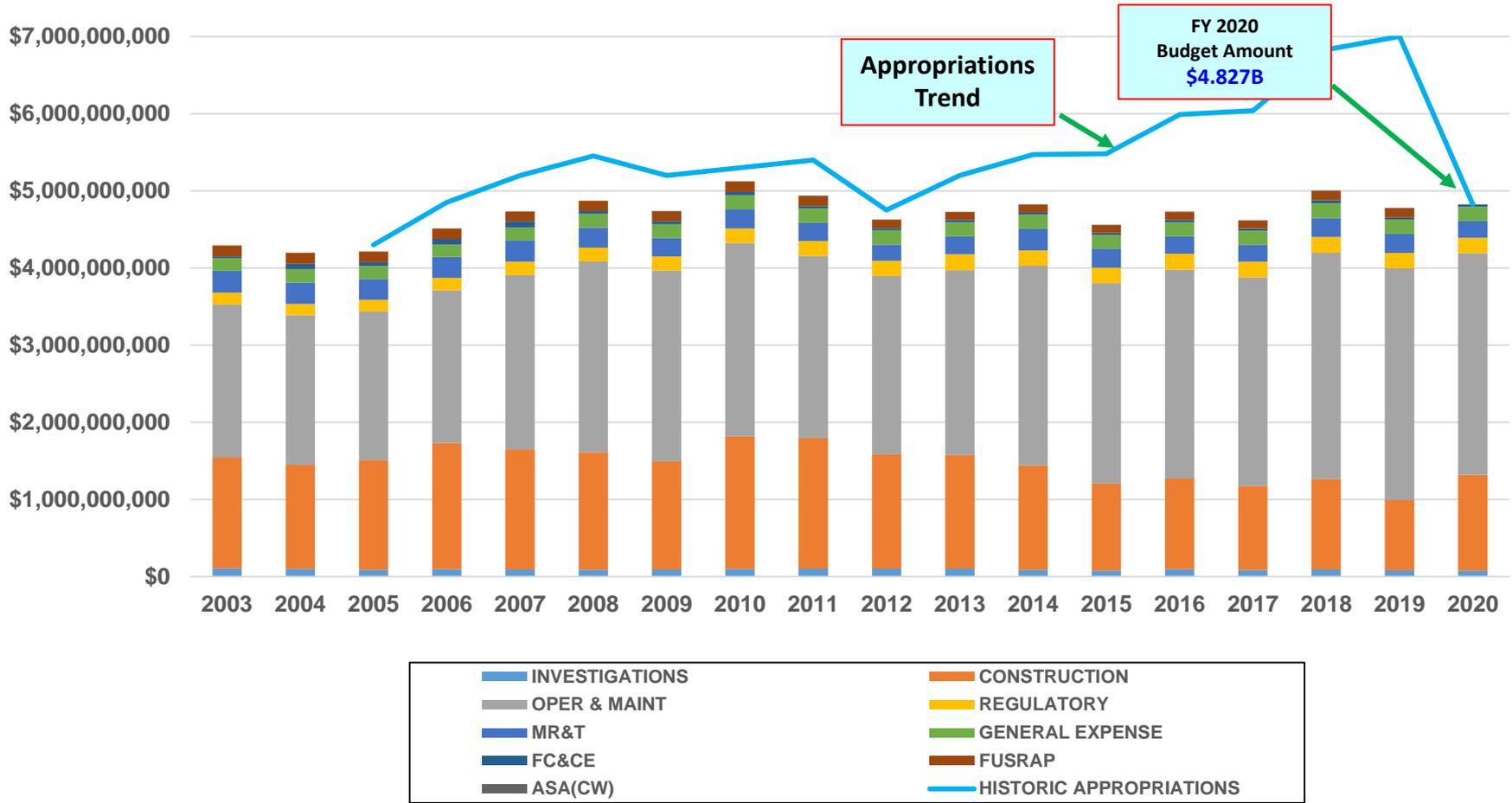


FY 2019 Appropriations for Navigation

Total FY 2019 Funding (Budget + Work Plan)	Inland	Coastal	Nav Total
Navigation O&M:	\$ 836M	\$1,530M	\$2,366M
Navigation Investigations:	\$ 14M	\$ 27M	\$ 41M
Navigation Construction:	\$ 332M	\$ 484M	\$ 816M
Navigation MR&T:	\$ 67M	\$ 6M	\$ 73M
Total	\$ 1,249M	\$ 2,047M	\$ 3,296M



CIVIL WORKS INVESTMENT TRENDS (EXCLUDES SUPPLEMENTAL FUNDING)





FY 2020 - OVERALL BUDGET OUTCOMES

- Continues Highest Performing Studies and Design Activities
- No New Construction Starts, No New Investigation Starts
- **Investigations:** \$77 Million, Down from \$82 Million
 - Includes Feasibility Studies, Dam Safety Modification Feasibility Studies and Dredged Material Management Plans
- **Construction:** \$1,244 Million, Up from \$910 Million
 - \$55.5 Million from IWTF, includes funding Mon River 2-3-4 L&Ds to Completion
 - \$18 Million from HMTF
- **Operation & Maintenance:** \$2.88 Billion, Down from \$3.0 Billion
 - Reflects Risk Informed Application of Performance Based Criteria
 - \$942 Million from HMTF
- **Mississippi River & Tributaries (MR&T):** \$215 Million, Down from \$245 Million
 - Includes Flood Risk Mgmt, Navigation, Environment Stewardship and Recreation



CONSTRUCTION IN FY 2020 BUDGET



\$10 M or more. *Actual funding for these and other projects to be determined in FY 2020*



Amounts in circles = \$million budgeted; = \$962 Million



FY 2020 Funding Uncertainty

- **FY 2020 – Continuing Resolution thru 21 Nov 2019**
 - Extend into December 2019?
 - Extend into January 2020?
 - Another Date?
 - Omnibus or E&WD Appropriations Act?
 - Year-long Continuing Resolution?
- **Impact on FY 2020 work plan and program execution?**
- **Impact on FY 2021 Budget Release/Transmittal to Congress?**
- **Affect on FY 2022 Budget Development**



FY 2021 BUDGET DEVELOPMENT PROCESS

- USACE districts & divisions submit budget requests to HQUSACE – May 2019.
- HQUSACE submitted Budget to Army – August 2019.
- Army submitted to Office of Management and Budget (OMB) – September 2019
- OMB Passback - ???
- Response by Army/HQUSACE to OMB Passback - ???
- FY 2021 President's Budget released – first week February 2020?

- **FY 2022 Budget Development** - Budget Guidance being updated and revised by HQUSACE.

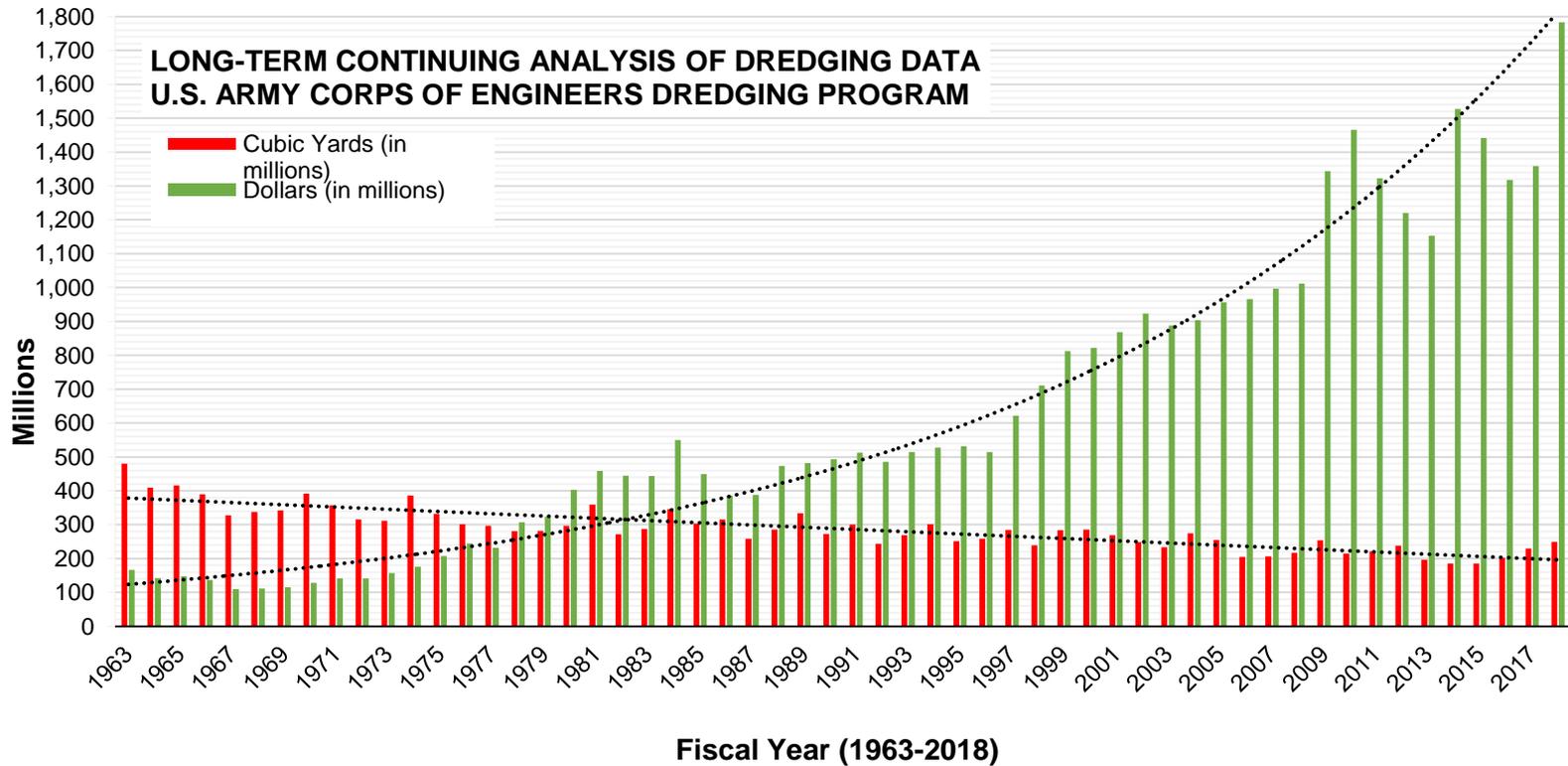


HQUSACE NAVIGATION TEAM

- **Navigation Br. Chief/BL Manager = Mr. Michael E. Ott**
- **Deputy Navigation Branch Chief = Mr. Paul D. Clouse**
- **Coastal Navigation PM = Ms. Tiffany S. Burroughs**
- **Inland Navigation = Mr. David A. Frantz**
- **Dredging Program Manager = Mr. Jase D. Ousley**
- **Floating Plant Manager = Mr. Keith R. Jones**
- **Aquatic Biologist = Mr. Joseph R. Wilson**



CHALLENGES TO NAVIGATION DREDGING



Growing dredging requirements and increasing cost present strategic risk



QUESTIONS

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