

CMANC

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US Army Corps
of Engineers®



JIM'S ASK

- Stu's role
- Ongoing regulatory challenges in SF Bay
- Budgets & Priorities
- Asset Management

STU'S ROLE

- Operations of Corps owned infrastructure – 46 dams, 211 recreation areas
- Oversight of 62 USBR Section 7 dams
- Oversight of 2300 miles of levees
- 27 Federal ports and harbors
- ~ 8300 CWA permit actions
- ~ 500 408 permit actions
- \$225M annual budget
- 650 FTE
- Leading team to revamp \$3B O&M budget development



NAVIGATION PROGRAM DELIVERY

- Program delivery through Districts
 - Project and Program Management
 - Engineering
 - Construction
 - Planning
 - Operations
 - Regulatory
- Policy, coordination, budget development through SPD Operations
- Technical support through ERDC and IWR

There are several organizational models throughout the Corps

NAVIGATION PROGRAM WORK/PRODUCTS

- Recurring maintenance work (survey, environmental, plans, contract, “pick-up” and placement)
- Preliminary Assessment(s)-reaffirm Federal interest
- Dredge Material Management Plans-confirm adequate placement location capacity
- Regional Sediment Management
- WIN Section 1122-beneficial re-use pilots
- Strategic Placement (science)
- Debris Mission
- Coastal Infrastructure

ONGOING REGULATORY CHALLENGES

- National changes still evolving
- Many different Federal and State agencies have roles-identified over 25 that could have a role
- Current model is “entrepreneurial”

ONGOING REGULATORY CHALLENGES

“Investigating the reasons behind the bridge blunders have helped to illuminate an aspect of American sclerosis — a gaggle of regulators and veto players, each with the [power to block or to delay](#), and each with their own parochial concerns. All the actors — the historical commission, the contractor, the environmental agencies, the advocacy groups, the state transportation department — are reasonable in their own terms, but the final result is wildly unreasonable.”

--Larry Summers, *Why American's don't trust government*, Washington Post editorial, May 26, 2016

WHAT IS O&M 20/20?

Similar costs for *similar* activities at *similar* projects.

ADAPTABLE

DEFENSIBLE

TRANSPARENT

CONSISTENT

RISK-INFORMED

Multi-year effort

BY19

BY20

BY21



O&M 20/20 BUDGET DEVELOPMENT UPDATES

Integrated suite of guidance and tools

O&M Appendix to Budget EC

APPENDIX E
Operation and Maintenance
Table of Contents

- E-1 General
- E-2 Project O&M Guidance
- E-3 O&M 20/20 Budget Development Framework
- E-4 O&M Budget Development
- E-5 O&M Programs
- E-6 O&M Work Category Codes
- E-7 Justification Sheets

Program Development Manual (PDM)

PROGRAM DEVELOPMENT MANUAL
Table of Contents

- Section 1: General Issuance Information
- Section 2: Responsibilities
- Section 3: General Procedures
- Section 4: CW-IFD
- Section 5: Emergency Management
- Section 6: Environmental Stewardship
- Section 7: Flood Risk Management
- Section 8: Hydropower
- Section 9: Navigation
- Section 10: Recreation
- Section 11: Water Supply
- Section 12: Environmental Restoration
- Section 13: Joint Costs

Data Dictionary

Field Name	Field Definition	Cycle (Budget, Variable, or Both)	Level (Program, Package, or Unit)	Business Line or Appropriate Use Limit (if applicable)	Character Limit (if applicable)	Pub in CW-IFD
Asset Legal/Module, Treaty or ESA Violation	Will the budgeted amount exceed a legal mandate, treaty or ESA (Endangered Species Act) violation from existing Account with (contiguous category) 2, 3, or 4? If described 1. Project cannot operate, 2. Project Continues to Operate (Phase, possible, or transfer may occur) 3. Project Continues to Operate (Project/line with no possible) 4. Enter the amount in MW (no quantity) of the quantity and that will not meet the condition of the work. Enter only the number of additional MW's that will result from the work.	Both	Cycle	HTD		Default Line WFO
Guarantee Bond	Enter the amount of the guarantee bond in millions of dollars. Budgeted in dollar: 1) Guarantee 2) Financial 3) Guarantee 4) Estate 5) Other Use Transfer: 6) Other Use Capital Transfer.	Both	Cycle	HTD		Default Line WFO
Critical Power Train Component	Enter the dollar amount in the contract between \$100000000 to replace the energy produced by the unit (if it is a forced outage status for the unit) in the Energy Production 100 program by MW.	Both	Cycle	HTD		Default Line WFO
Annual Refinement Energy Cost	Enter the dollar amount for the annual refinement energy cost. Guidance on calculating the value, recommended entry rate of Cost: Default: Expense using EPA website: http://www.epa.gov/energy/energy-reports-and-data	Both	Cycle	HTD		Default Line WFO
Guarantee Our Payment	Enter the amount of the guarantee bond in millions of dollars. Budgeted in dollar: 1) Guarantee 2) Financial 3) Guarantee 4) Estate 5) Other Use Transfer: 6) Other Use Capital Transfer.	Both	Cycle	HTD		Default Line WFO
Annual Net Benefits	Enter the contract ANNUAL NET BENEFIT for the program from the approved report calculated at a discount rate of 7%. Amount in whole dollars, rounded to nearest dollar, as entered for EPA (EPA) would be entered as \$14,516,000.	Both	Cycle	HTD		Default Line WFO
Prior - Rubens Condition	For rated navigation projects the value will come from the O&M workbooks and is a function of the River Conditions Assessment Class and Classification.	Both	Cycle	NAV		Default Line NAV
Prior - Annual Economic Impact (Rubens)	For rated navigation projects, the value will come from the O&M workbooks and is a function of the economic drivers entry or related to the value of the probability of failure for the respective category. The value represents only the annual benefits.	Both	Cycle	NAV		Default Line NAV
Prior - Annual Economic Impact (Flow)	For rated navigation projects, the value will come from the O&M workbooks and is a function of the economic drivers entry or related to the specific river system and the probability of failure for the respective category. This value represents only the annual benefits.	Both	Cycle	NAV		Default Line NAV
VWB BY Request Rubens-Condition Classification	For rated navigation projects, the value will come from the O&M workbooks and is a function of the VWB BY Program - Condition Assessment Class and related management response factor developed by the National RPT.	Both	Cycle	NAV		Default Line NAV
VWB BY Request Annual Economic Impact (Rubens)	For rated navigation projects, the value will come from the O&M workbooks and is a function of the economic drivers entry or related to the value of the probability of failure for the respective category that is integrated or submitted for the budget from the RPT budget work package is funded. This value represents only the annual benefits.	Both	Cycle	NAV		Default Line NAV
VWB BY Request Annual Economic Impact (Flow)	For rated navigation projects, the value will come from the O&M workbooks and is a function of the economic drivers entry or related to the specific river system and the probability of failure for the respective category that is integrated or submitted for the budget from the RPT budget work package is funded. This value represents only the annual benefits.	Both	Cycle	NAV		Default Line NAV

Organize-Prioritize Tool

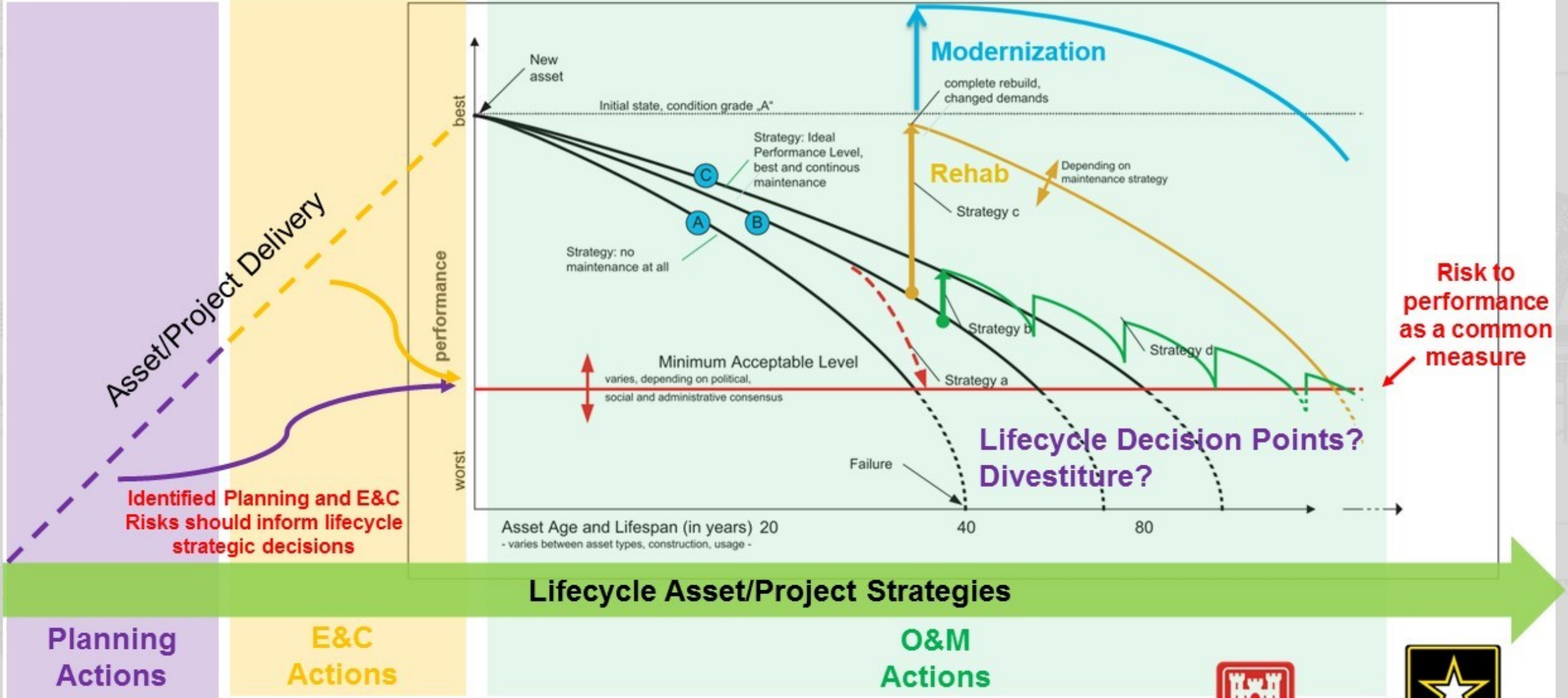
The screenshot shows a software interface for organizing and prioritizing projects. It features a grid with multiple columns and rows. The columns include project names, priority levels, and other status indicators. The interface is designed for data entry and analysis, with various filters and sorting options available.

CW-IFD Improvements

The screenshot displays a form for CW-IFD (Continuing Work Item - Interim Funding Decision) improvements. The form includes several input fields and dropdown menus. Key fields include:

- Phase: PA
- Phase Activity: (O) Operation
- Phase Status: (CN) Continuing Phase
- Phase Complete (Fiscal Year): 2019
- Budget Item ID: [Empty field]
- Total Cost: [Empty field]
- Balance to Complete: [Empty field]
- Next Contract Amount: [Empty field]
- Level of Performance: No Mission (NM)
- Prioritization Framework: -SELECT-
- CAPABILITY: 30000
- BUDGET REQUEST ARMY: [Empty field]

LIFECYCLE PORTFOLIO MANAGEMENT ACTIONS



Asset/Project Delivery

Identified Planning and E&C Risks should inform lifecycle strategic decisions

Lifecycle Asset/Project Strategies

Planning Actions

E&C Actions

O&M Actions



RECENT BUDGETS

Year	Pres Bud	With Cong Add
FY16	\$76,590	\$127,838
FY17	\$81,602	\$117,970
FY18	\$92,675	

BUT, with continuing resolutions and eventually very late budgets, our accounting work more than doubles

THREE TAKEAWAYS

1. Coastal navigation remains the single largest CW program
2. Need a simple, consistent, data-driven “value” story
3. Be part of a broad stakeholder engagement strategy