





U.S. Army Corps of Engineers Jan 9 2019 David Dale, SES(R), PE, PMP









AGENDA

- Background on Infrastructure Initiative
- Explain transition to Revolutionize USACE Civil Works
- Describe 3 objectives of Revolutionize USACE Civil Works
 - Accelerate Project Delivery
 - Transform Project Financing and Budgeting
 - ▶ Improve Permitting and Regulation Reform
- Next Steps
- Q&A



ADMINISTRATION'S INFRASTRUCTURE INITIATIVE



BACKGROUND

 Administration's goal: seek and secure long-term reforms on how infrastructure projects are regulated, funded, delivered, and maintained.

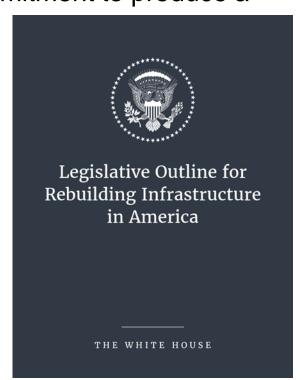
President has proposed a \$200B federal commitment to produce a

\$1.5T overall investment in infrastructure.

■ The infrastructure legislative principles were publicly released on 12 February 2018 and can be found here:

https://www.whitehouse.gov/wp-content/uploads/2018/02/INFRASTRUCTUR E-211.pdf.

 The Administration has also asked agencies to improve infrastructure delivery by pursuing changes that do not require legislation.







THREE OBJECTIVES

DESIRED END STATE

Accelerate Project Delivery

Start and finish projects faster

Transform Project
Financing and Budgeting

More efficient project delivery using alternative financing tools and new budgeting processes

Improve Permitting and Regulation Reform

Streamlined permit processes and elimination of duplicative reviews to expedite delivery of projects





Accelerate Project Delivery

Problems to Address:

- Projects take too long
- States and local entities want to be more involved

Focus Areas:

- Enterprise project delivery strategies
- Acquisition processes
- Risk-informed decision-making and delegate decision authority
- Innovation





Accelerate Project Delivery

Accomplishments to Date:

- Project Delivery:
 - ✓ Established aggressive schedules for all emergency supplemental projects
 - ✓ Identified alternative contract methods to reduce schedules/costs for emergency supplemental activities
 - ✓ Streamlined contracting processes (e.g. Increased threshold for certain contract consolidations)
- Risk Informed Decision Making and Delegations of Authority:
 - ✓ Section 408 permissions
 - ✓ Independent External Peer Reviews
 - ✓ Design and Construction deficiencies <\$500K</p>
 - ✓ Model Certifications





Accelerate Project Delivery

Key	Actions	In Prog	ress:

- □ Execution of Authorized Projects by Non-Federal Sponsors:
 □ Developing guidance per WRDA to allow potential credit for
 - □ Developing guidance per WRDA to allow potential credit for reimbursement of the Federal share.
 - □ Developing guidance on recent WRDA amendment that negates Federal permit requirement when a non-Federal interest constructs a USACE project under certain conditions.
- ☐ Continued Streamlining Acquisition: Identify and implement additional acquisition changes to support accelerated project delivery.





Transform Project Financing and Budgeting

Problems to Address:

- Insufficient funding for the Nation's infrastructure needs
- Unpredictable funding for federal projects

Focus Areas:

- Implement Alternative Financing Tools
 - Water Infrastructure Finance and Innovation Act (WIFIA) Loans
 - Public-Private Partnership (P3) policy
- Revolutionize Civil Works Budgeting
- Increase Funding Flexibility





Transform Project Financing and Budgeting

Accomplishments to Date:

P3 Policy:

- ✓ Guidance from ASA(CW) issued September 2018
- ✓ Request for information 60 day Federal Register notice Jan 2019

WIFA Loans:

- ✓ MOU with EPA signed
- ✓ Developed program consistent with OMB A-129 and A-11
- ✓ Credit subsidy model (draft completed)

Civil Works Budgeting:

- ✓ Completed analysis on cost of inefficient funding streams
- ✓ Developed draft metrics that increase leveraging of Federal funds and accelerate completion of existing portfolio





Transform Project Financing and Budgeting

ctions in Progress:			
☐ P3 Call for Proposals:			
Call for P3 pilot proposals January 2019 - Federal Register			
P3 External Webinars January – slides on website			
□ WIFIA:			
Finalize credit subsidy model			
Development of program structure and rules (spring 2019)			
Credit subsidy appropriation necessary to issue loans			
☐ Civil Works Budgeting:			
Finalize multi-year budget approach			
Develop justification and support for new approach			
Develop specific actionable recommendations (internal and external)			





Improve Permitting and Regulation Reform

Problems to Address:

- Permitting process takes too long
- Duplicative requirements and oversight

Focus Areas:

- Simplify Environmental Reviews and Permits
 - Executive Order 13807 guidance for "One Federal Decision"
 - Section 10/404 permits and Section 408 permissions
- Mitigation
 - Credits, criteria and processes for third party mitigation
- Regulation Reform
 - 53 regulations identified under Executive Order 13777





Improve Permitting and Regulation Reform

Accomplishments to Date:

- ✓ Streamlined Section 408 Permission Requests (see https://www.usace.army.mil/Missions/Civil-Works/Section408/)
- ✓ Alignment of Section 404/10/103 and 408 Programs
 - ✓ Single Point of Contact
 - ✓ Single Decision Document and Transmittal Letter
- ✓ Lead District policy for projects that span multiple districts
- ✓ Improved Public Access to Tracking Systems
- ✓ Mitigation Regulatory Guidance Letter on removal of obsolete structures
- ✓ One Federal Decision Implementation Guidance
- ✓ Guidance for State Assumption under Section 404(g)
- ✓ Regulation Reform reviewed 53 regulations





Improve Permitting and Regulation Reform

Ke	ey Actions In Progress:
	Mitigation:
	Additional guidance on credit release schedules for mitigation banks and equivalency in service areas.
	 Revise 2008 Mitigation Rule to streamline third party mitigation process/approvals
	Tracking Systems : Establish public website to view the status of submitted individual permit applications
	Nationwide Permits: Streamline processes and pre-construction notification (PCN) requirements
	Civil Works Projects: Eliminate duplicative reviews for authorized Civil Works projects undertaken by non-Federal interests
	Regulation Reform : Continue working efforts to repeal, replace, or modify regulations





NEXT STEPS AND FURTHER INFORMATION

- USACE public website for information: <u>http://www.usace.army.mil/Missions/Civil-</u> Works/Infrastructure/
- USACE CW P3 public website:
 https://www.usace.army.mil/Missions/Civil-Works/Infrastructure/Infra_P3_program/
- Direct input, feedback, or meeting requests to: CW.Infrastructure.Team@usace.army.mil





QUESTIONS?