



FY 10 President's Budget

National Dredging Meeting
May 20, 2009

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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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Navigation Assets

- **1067 Coastal navigation projects**
 - 13,000 miles of coastal navigation channels
- **27 Inland River Systems**
 - 241 lock chambers @ 195 lock sites
 - 12,000 miles of inland river channels
- **929 Navigation structures**
- **844 Bridges**

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Navigation PART Measures

Operation and Maintenance-

- Output: Tons of cargo moved
- Outcome:
 - (1) Percent of time channel available
 - (2) Percent of time lock available (mechanical failures)
 - Scheduled Closures
 - Unscheduled Closures
- Efficiency: Dollars per ton moved

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Performance

We do a good job maintaining coastal and inland navigation with limited resources, but face continued degradation of navigation infrastructure leading to failure and increased unscheduled lock outages and lack of channel availability at current funding levels.

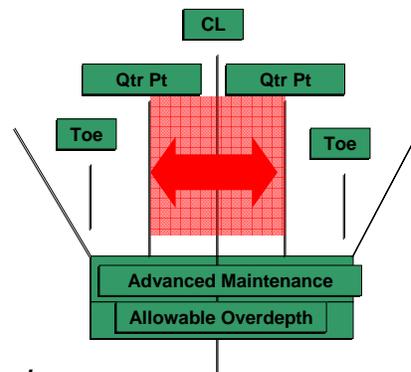
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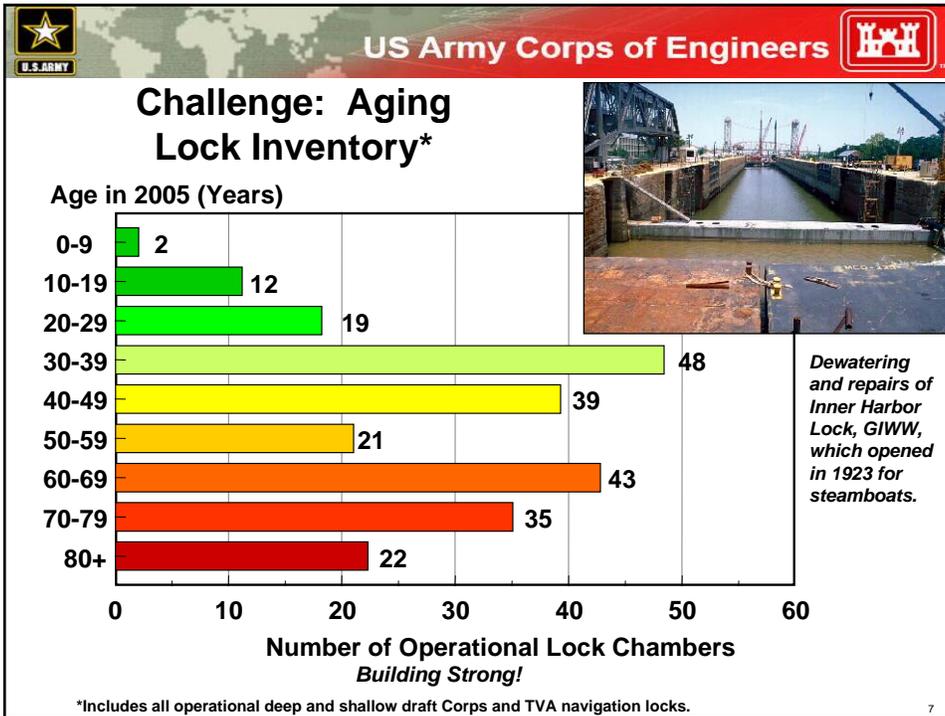
Coastal Navigation Performance Standard

- **Initial Standard**
 - Full project depth
 - Half project width, 95% of the time
- **Trend**
 - FY 2005: 38%
 - FY 2006: 35%
 - FY 2007: 32%
 - FY 2009 – 2013: FYDP get to 95%



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- US Army Corps of Engineers**
- **Corps' Program is "Discretionary"**
 - **Continuing Pressure on Budget**
 - Global War on Terror
 - Entitlement Programs (Medicare, Medicaid, Social Security)
 - Interest on the National Debt
 - Status of US & World Economies
 - **Cost of Infrastructure Recapitalization**
 - Improved Inspection Techniques
 - Modern Design Standards
 - Cost of meeting ESA and other legal requirements
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U.S. Army Corps of Engineers

Civil Works Program Missions

- Navigation
- Flood Risk Management
- Ecosystem Restoration
- Hydropower
- Water Storage for Water Supply
- Regulatory (Wetlands / US Waters)
- Recreation
- Disaster Preparedness & Response

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Lock and Dam 15 (Mississippi River)



Dredge ESSAYONS (Coos Bay, OR)



Flood Wall (Williamson, KY)



Lake Seminole (Mobile District)



Everglades



Bonneville II Powerhouse (Washington)

U.S. Army Corps of Engineers

Civil Works Value to the Nation

- US Ports & Waterways convey > 2B Tons Commerce
- Foreign Trade alone creates > \$160 B Tax Revenues

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Recreation areas
376 M Visitors/yr
Generate \$15 B in economic activity,
500,000 jobs

400 miles of
Shore protection
Destination for
75% of U.S.
Vacations

Stewardship of
11.7 Million Acres
Public Lands

1/4 of Nation's
Hydropower:
\$500 M + in
power sales

11,000 miles of
Commercial Inland
Waterways:
1/2 the cost of rail
1/10 the cost of
trucks

8,500 Miles of
Levees

299 Deep Draft
Harbors

627 Shallow Draft
Harbors

Emergency
Operations

Environmental
Restoration

Regulatory
Responsibilities



Key FY 2010 Budget Points

- Investigations priorities determined by continuing the few 09 studies and evaluation by Business Line Managers judgment based on interaction with the Field for final levels.
- Construction priorities are to continuing the high performing (BCR 2.5) FY 09 Budgeted projects, high performing completions, and limited high performing new starts.
- O&M priorities determined by reviews by Business Line Managers relative to Risk and Consequences at different program levels compared with the rest of the program needs.

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FY 10 Budget Constraints

- Civil Works Program limited to \$5.125 B
- Increased number of Dam Safety Assurance, Static Instability, and Seepage Control projects
- Declining balance in Inland Waterways Trust Fund (IWTF) constrains inland waterway construction and major rehabilitations
- FY 10 Budget assumes Fuel Tax receipts of \$85 mil for IWTF and NO legislative “fix” in place for FY 10. Administration is submitting a Lock User Fee proposal to replace the Fuel tax

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US Army Corps of Engineers

Budgets and Appropriations (\$ Millions)

	<i>FY08 Execution</i>	<i>FY08 Budget</i>	<i>FY08 Approp</i>	<i>FY09 Budget Conference</i>	<i>FY09</i>	<i>FY 10 Budget</i>
Investigations	156	90	167	91	168	100
Construction	2,221	1,523	2,294	1,402	2,140	1,718
Operation & Maintenance	1,971	2,471	2,244	2,475	2,202	2,504
Mississippi River & Tributaries	385	260	387	240	384	248
Regulatory	158	180	180	180	183	190
Flood & Coastal Emergencies	953	40	0	40	40	41
F.U.S.R.A.P.	139	130	140	130	140	134
Expenses	168	177	175	177	179	184
ASA(CW)	4	0	5	6	4.5	6
Sub - Total	6,155	4,871	5,592	4,741	5,403	5,125
Supplemental Appropriations		3,383	3,383	5,761	5,761	
Recovery Act					4,600	
Total	6,155	8,254	8,975	10,502	15,694	5,125

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- ### US Army Corps of Engineers
- ## FY 10 Navigation Budget Goals
- Repair/Replace failing infrastructure - O&M, Construction, CAP
 - Complete projects to start generating benefits – Construction, CAP
 - Keep projects operating safely - O&M
 - Address critical maintenance needs - O&M
 - Address new problems - Investigations
 - Provide tools and support - Remaining Items
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FY 10 Navigation Program (\$1,000s)

Navigation	FY 09 Budget	FY 10 Budget	FY 09 ARRA
TOTAL	1,900	1,766	1,693
Investigations	8	7	4
Construction	475	272	686
O&M	1,288	1,316	938
MR&T - I	0	0	0
MR&T - C	10	15	27
MR&T - O&M	29	33	38
Remaining Items			
Investigations	12	12	*
Construction	20	15	*
CAP	9	19	*
O&M	50	77	*

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QUESTIONS?



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