

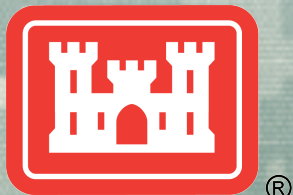
USACE Navigation Program Overview

For ASBPA

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US Army Corps of Engineers
BUILDING STRONG[®]



Civil Works Business Lines

- **Navigation**
- **Flood Damage Reduction**
- **Ecosystem Restoration**
- **Hydropower**
- **Recreation**
- **Water Supply**
- **Regulatory**
- **Readiness**



Corps Navigation Mission

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



Administration Objectives

- Double exports in 5 years
- Improve the environment
- Reduce Green House Gas (GHG) emissions
- Reduce fossil fuel consumption
- Navigation has a key role in all of these!



Navigation Funding

(\$million)

Pres Bud	Coastal	Inland	Nav	CW total	Nav Percent
FY12	\$832	\$744	\$1576	\$4631	34
FY11	\$873	\$779	\$1652	\$4939	33
FY10	\$971	\$796	\$1767	\$5125	35
FY09	\$969	\$931	\$1900	\$4741	40
FY08	\$957	\$1057	\$2014	\$4900	41

Trend is declining funds

Navigation down 22% in the last 5 years.

Reductions masked by ARRA funding in FY09 and FY10

Flood Damage Reduction increased due to DSAC

results; Environment also increased.



FY12 O&M Budget Coastal Navigation

Category	Inventory	Commerce	FY12 O&M Projects	FY12 O&M Funds	FY11 O&M Proj.	FY11 O&M Funds
High Use	59	90%	54	62%		62%
Moderate Use	100	9%	61	25%	120*	21%
Low Use	908	1%	41	6%	124	10%
Other				7%		7%
Total	1067	100%	156	100%	244	100%

- Prior to FY12 we adjusted to budget decreases by minor reductions at almost all nav projects.
- The low use category was proposed as a program for 50% reduction in the FY12 budget development; This was a 50% dollar reduction, not a 50% projects reduction
- 'Other' includes Nav R&D, Project Condition Surveys, Remaining Items, etc.
- IMPACT: Risk of navigation related incidents and fatalities increase at non-dredged projects.
- *High and moderate use were not separately identified in FY11



Navigation Sustainability



- Dredging provides a resource
- Align Regional Sediment Management program with navigation channel maintenance
- Engineering With Nature
 - Stakeholder centric
 - What does a healthy ecosystem look like?
 - How can dredged material be used to help achieve the goals?



FY12 Goals

- Maximize the dredging dollar
- Provide opportunities to use the material beneficially
- Seek collaboration
 - Corps (other business lines)
 - State
 - Project Sponsor
- Streamline contributed funds process



Low Commercial Use Pilot Program

- Assist projects that would not ordinarily qualify for maintenance dredging
- To borrow a phrase – You can do it, we can help
 - Provide technical support
 - Sponsor funds dredging
- 14 Projects around the country



Coastal Storm Damage Reduction

Opportunities to stretch dollars

- Look at hopper dredging schedule
 - Peak demand in January – April
 - More competition, better prices
- Sand/fines
- Near shore versus on beach
- Dredging operations in summer
 - Bad or surfacing treasure?



Coastal Navigation Future

Status Quo

- Continued O&M funding reductions
 - Reduce number of maintained projects
 - Scope dredging to available funding
 - Reduced channel availability
- Minimal Capital Investment work – channel deepening

Proactive Efforts

- HMTF revision
- Establish a Coastal Nav Capital Investment Program
- Pursue Environmental Improvements in BCR



Harbor Maintenance Trust Fund

- Revenues \$1.4B in FY10
- FY12 Budget \$758M in HMTF reimbursables
- Full access to HMTF Revenues
 - Better maintained channels
 - More maintained channels
 - Additional dredging = additional beneficial use opportunities



Summary

- Navigation and ASBPA collaboration
 - Align Regional Sediment Management with Navigation projects
 - Streamline USACE contributed funds process
- Navigation funding is an essential component for the Nation's Global trade
 - HMTF for future channel maintenance
 - OR Continue the Status Quo
- Success is channels maintained and dredged material beneficially used - Sand on the Beach!

