



The American Recovery and Reinvestment Act, 2009 Update

NAD/SAD/WEDA Dredging Meeting
October 13, 2009

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1



Recovery Act Purpose

The American Recovery and Reinvestment Act is an unprecedented effort to:

- jumpstart our economy
- create or save millions of jobs
- address long-neglected challenges, such as infrastructure

Key components of the Recovery Act include:

- mandates to educate the public about the Act
- transparency for tracking, monitoring and reporting
- accountability for spending
- Information posted on web site:

<http://www.usace.army.mil/RECOVERY>

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2



Recovery Act Provisions

- \$4.6 billion for Corps Civil Works programs
- Relief from 50/50 cost-sharing with Inland Waterways Trust Fund
- No exemption for the HMTF or cost-shared projects – Non-Federal Sponsors must pay
- All unobligated funds (except for E&D, S&A and claims) expire 30 Sep 2010
- Unlimited reprogramming – overturned by FY 09 Omnibus Act
- Projects are eligible only if funded “heretofore or hereafter” - no new starts

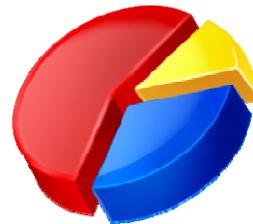
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Recovery Act Appropriations

APPROPRIATIONS by ACCOUNT (\$Billions)

• Investigations	\$0.025
• Construction	\$2.000
• O&M	\$2.075
• MR&T	\$0.375
• Regulatory	\$0.025
• <u>FUSRAP</u>	<u>\$0.100</u>
• TOTAL	\$4.600



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Budgets and Appropriations

	FY08 Approp.	FY09 Approp.	FY10 Budget	FY10 House	FY10 Senate	FY10 Conf.
Investigations	167	168	100	142	170	160
Operation & Maint.	2,244	2,202	2,504	2,511	2,450	2,400
Construction	2,289	2,142	1,718	2,144	1,924	2,031
Mississippi River & Tribs.	387	384	248	251	352	340
Regulatory Program	180	183	190	192	190	190
Flood Cont. & Coastal Emerg.	0	0	41	0	0	0
F.U.S.R.A.P.	140	140	134	134	140	134
Expenses	177	179	184	152	186	185
ASA(CW)	5	4	6	6	6	5
Total Regular	5,597	5,361	5,125	5,532	5,405	5,445
Supplemental Appns	3,383	6,558				0
Stimulus Bill		4,600				0
Defense Supplemental		842				0
Total	8,980	17,362				5,445

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Recovery Act Project Selection Criteria

Project selection criteria in Conference Report are projects, programs or activities that will:

- be obligated/executed quickly;
- result in high, immediate employment;
- have little schedule risk;
- be executed by contract or direct hire of temporary labor; and
- complete either a project phase, a project, an element, or will provide a useful service that does not require additional funding.

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Recovery Act Funding

Operations and Maintenance \$ 2.075 B

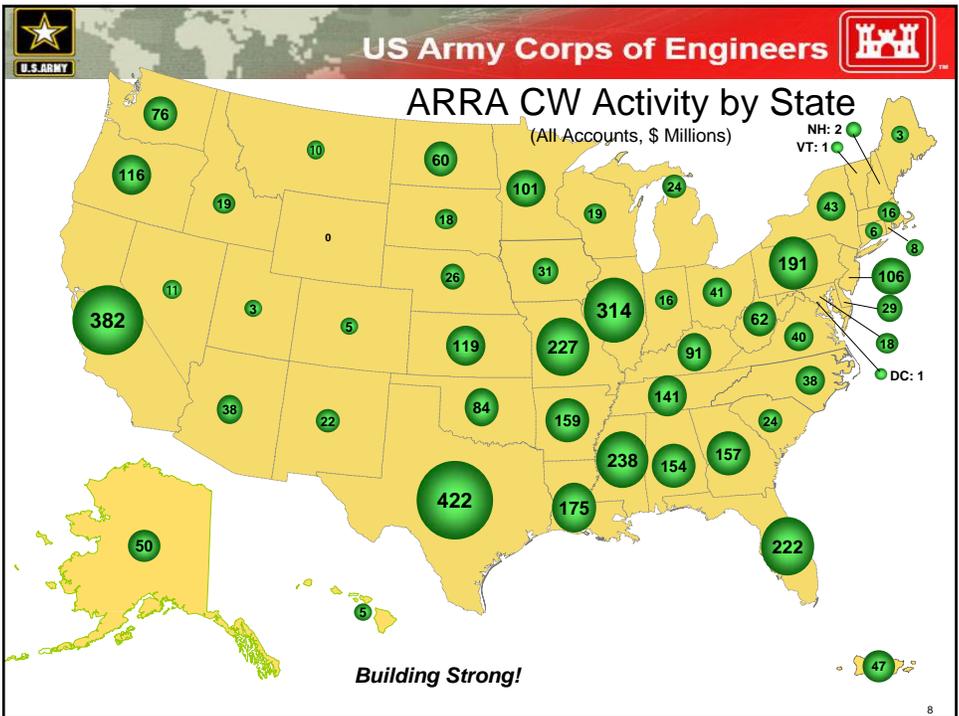
- ~ **400** O&M projects (\$ 250 K - \$ 10 M)
- 100% of funds to be awarded in FY 09
- 100% complete in FY 10

Construction \$ 2.0 B

- ~ **300** construction contracts (\$1 M - \$ 30 M)
- 67% of funds to be awarded in FY 09
- Preponderance going to Flood (1/2) and then Navigation (1/3)
- 65% complete by FY 10
- 96% complete by FY 11

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7





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Benefits-Jobs Created

- Jobs created by USACE portion of stimulus estimated at 139,000.
 - Direct creation of ~37,000 new private sector jobs with average annual wages between \$38,000 and \$42,500
 - Additional 102,000 new jobs in industries supplying construction and O&M activities and selling goods and services to new workers and their families.

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Navigation Program Funding (\$1,000s)				
Navigation	FY 09 Budget	FY 10 Budget	FY 09 ARRA	FY 09 ARRA 2 nd Rnd
TOTAL	1,900	1,766	1,693	1,785
Investigations	8	7	4	5
Construction	475	272	686	744
O&M	1,288	1,316	938	986
MR&T – I	0	0	0	0
MR&T – C	10	15	27	27
MR&T - O&M	29	33	38	50
Remaining Items				
Invest	12	12	*	*
Construction	20	15	*	*
CAP	9	19	*	*
O&M	9 Building Strong! 77		*	*

11

 					
Navigation Program Recovery Act Funding (\$1,000s)					
Navigation	Invest	Construct	O&M	MR&T	Total
TOTAL	4	686	938	65	1,693
Dredging	2.4	124	307	13	447
Locks	0.3	180	250	13	443
Dredged Material Facilities	0	122	121	0	243
Jetties/Break waters/Dikes	0	15	91	35	141
Bridges	0.7	9	11	0	21
Dams and Other	0.6	236	158	3	398

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12



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Recovery Act Opportunities & Challenges

Some Opportunities

- Help Stimulate Economy
- Help Stimulate Jobs
- Help Improve Future for Nation's Infrastructure
- Accomplish Critical Backlogged Projects
- Demonstrate Competency and Capacity of Government and Industry Support for National Goals
- Help People and Our Nation and its Businesses

Some Challenges

- Explicit and Extensive Rules, Processes, and Reporting
- "Late Start" & "Early Finish"
- High Existing Tempo on MILCON, Contingency Support, CW Omnibus & Supplemental Appropriations
- Surge of Requirements on Resources and Financially-Restrained Construction Communities
- Dredging Windows
- Placement capacity
- Dredge availability

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13



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Demonstrated Ability to Execute

- Regional Industry Meetings
- National Meeting
- Coordinate the work Regionally and Nationally
- Full project dimensions vs. Restricted Depth and Width
- Walking job versus Production job
- Innovative Contracting Mechanisms
- Great cooperation/partnership between Industry and Corps

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14

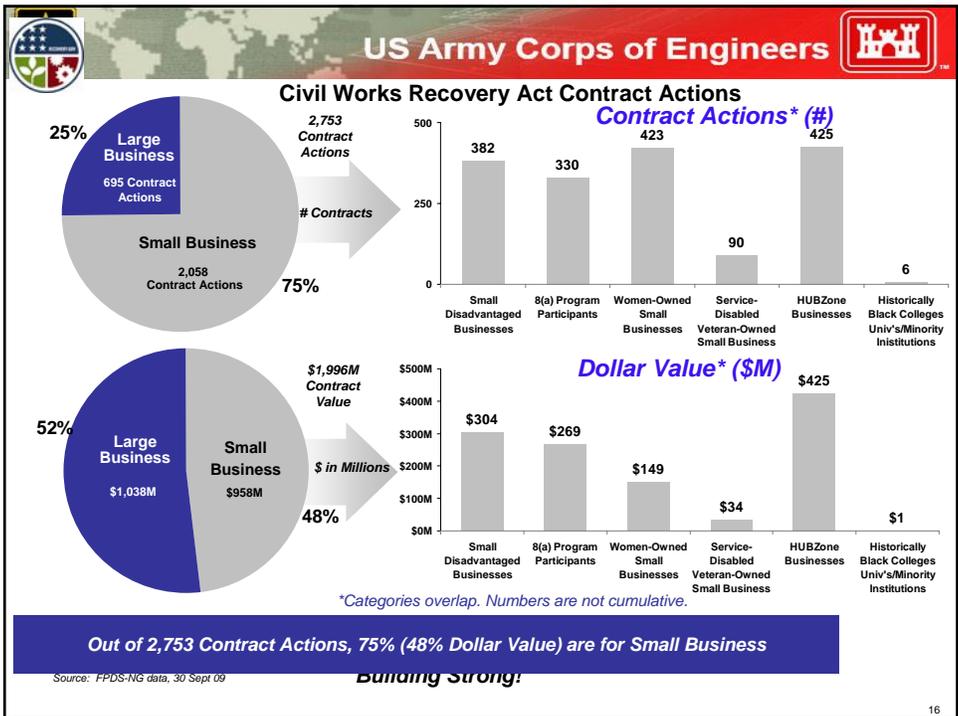
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FY 2009 Civil Works Execution

	OBLIGATIONS (Millions \$)				VARIANCE (%) *			
	REG	SUPP	ARRA	TOTAL	REG	SUPP	ARRA	TOTAL
Investigations	154	4	15	173	-3	10	-5	-3
Construction	1,913	1,320	698	3,932	-5	3	-4	-2
O&M	2,230	614	1,271	4,115	0	-16	1	-3
MR&T	353	47	163	564	-3	-20	13	-1
FC&CE		1,485		1,485		-3		-3
FUSRAP	138		59	197	12		39	19
REG PRG	187		7	194	0		-14	-1
EXPENSES	179			179	3			3
TOTAL	5,154	3,471	2,214	10,839	-2	-4	1	-2

*Variance = Percentage difference between scheduled work and actual work

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Anticipated Results

- Improved Channel and Lock Availability
 - Critical to the efficient and safe movement of goods
 - Assures US goods competitiveness in the global marketplace
- Subsequent channel/lock maintenance is from an improved base condition

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17



Recovery Act Execution

The Recovery Act provides a great **opportunity** to contribute to our Nation's infrastructure and economy while building capacity to meet future needs.

The key will be to re-examine our **processes**, acquire and develop the right **people**, and **perform** our missions safely, on time, within budget, and with the requisite quality.

Together with our **partners**, **stakeholders**, and **customers**, we can build a better future for our **citizens**.

<http://www.usace.army.mil/RECOVERY>

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18



Recovery Act Execution

We need to hear from you! Tell us how the Recovery Act has impacted you:

- **Jobs provided**
- **Existing dredges purchased, returned to the country, refurbished, returned to work**
- **New dredges ordered/constructed**

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