Revolutionize USACE Civil Works

The U.S. Army Corps of Engineers (USACE) is working to revolutionize delivery of the nation’s infrastructure.

Successful USACE Civil Works project delivery supports the nation’s current and future infrastructure priorities. Speeding up project delivery—focusing on innovative ways to deliver high quality outcomes sooner—is a top USACE priority.

USACE Civil Works initiatives and related enterprise actions have been grouped into three mission-critical objectives:

1. **Accelerate Project Delivery**
2. **Transform Project Financing and Budgeting**
3. **Improve Permitting and Regulation Reform**
Accelerate Project Delivery

Innovative approaches to project delivery can result in starting and finishing projects sooner.
USACE is modernizing the traditional delivery of the Civil Works program to accelerate infrastructure projects. Significant actions that support this objective include:

1. **Project Delivery Strategies**
   - Utilize available resources and information to enable aggressive project delivery timelines.
   - Provide tools to enable non-federal sponsors to complete authorized studies or construction.

2. **Acquisition Processes and Tools**
   - Expedite the acquisition phase to deliver projects faster with alternative contract methods.
   - Implement incentives to reduce schedule/cost and increase innovation.
   - Streamline review and award processes and encourage a risk-based approach.

3. **Risk-Informed Decision-Making and Delegated Decisions**
   - Expand risk-informed decision-making to the entire project delivery life cycle to guide decisions and implement solutions faster.
   - Encourage all levels of the agency to delegate decision-making to further streamline decisions and better manage risks at lower levels.

4. **Innovation**
   - Incorporate innovative ideas into projects as part of the acquisition strategy, design, or construction.
   - Provide districts with information and support to implement innovative tools and new design/construction techniques to speed up project delivery, without increasing complexity or cost.

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**Accomplishments To Date**

1. **Project Delivery:**
   - Established accelerated schedules for emergency supplemental projects while maintaining a focus on project integrity.
   - Identified different contract types and methods to reduce schedules/costs for emergency supplemental activities.
   - Streamlined contracting processes (e.g., increased threshold for certain contract consolidations).

2. **Recent Delegations Include:**
   - Modifications to Civil Works Projects (Section 408)
   - Independent External Peer Reviews
   - Review Plan Approvals
   - Design and Construction Deficiencies <$500,000

3. **Recent Successes:**
   - Risk-informed decision making has resulted in significant time savings across the Civil Works portfolio.
   - **New Soo Lock Economic Validation Report** – Concurrent reviews to fast-track project delivery and key leadership decisions/direction resulted in completion of the report seven months early with potential avoided costs of approximately $100 million.
Transform Project Financing and Budgeting

Alternative financing approaches and new budgeting processes can speed up project delivery in a constrained fiscal environment.

The Fargo-Moorhead Metropolitan Area Flood Risk Management Project is the first USACE project to use a public private partnership. Photo by the City of Fargo, N.D.
USACE is exploring a variety of alternative financing mechanisms and budget processes to accelerate project delivery with fewer resources and less federal involvement. Ongoing efforts include:

1. **Alternative Financing Tools**
   
   Alternative financing mechanisms can speed up project execution and deliver benefits earlier and more efficiently.

   **WIFIA Loans**
   A loan program authorized by the Water Infrastructure Finance and Innovation Act (WIFIA) to provide low interest loans could reduce borrowing costs and thereby increase non-federal entities’ ability to build, operate and/or maintain water resource infrastructure. WIFIA loans may be used to construct or rehabilitate water resource projects.

   **P3 Strategies**
   Public Private Partnerships (P3) can provide upfront funding and leverage appropriations, while optimizing local participation and promoting project delivery. A P3 pilot program that encourages innovation is being developed as a strategic delivery tool for USACE and project sponsors.

2. **Civil Works Budgeting**

   USACE is exploring budgeting approaches to enhance efficiency and streamline project delivery. Concepts include reshaping budgeting approaches to provide increased flexibility and funding projects more reliably.

   Consideration is being given to:
   
   - Development of a seamless budget approach to fund projects once started, including efficiently funding investments in projects.
   - Revised budgeting approaches for new and ongoing projects utilizing different metrics for investment decisions.
   - Development of a multi-year capital budget concept.

3. **Funding Flexibility**

   Project delivery is impacted by uncertain and inefficient funding. Timely completion of projects may be achieved by enhancing opportunities to use non-federal funding and exploring options to maximize the flexibility of federal funding streams.

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### Accomplishments To Date

#### P3 Pilot Program

- A P3 policy and implementation guidance was issued and can be found at https://www.usace.army.mil/Missions/Civil-Works/Infrastructure/Infra_P3_program/.
- A 60-day request for information was released in February 2019 to gather stakeholder input on conceptual P3 projects. Initial pilot projects are currently being identified.

#### WIFIA Program

- Development of a draft credit subsidy model.
- Partnering MOU with EPA.

#### Civil Works Budgeting

- Completed an analysis on the costs of inefficient funding streams.
- Developed draft metrics that increase leveraging of federal funds.
- Identified approaches to increase funding flexibilities.
OBJECTIVE

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Improve Permitting and Regulation Reform

Streamlined environmental reviews can result in accelerated delivery of the nation’s infrastructure.
USACE is streamlining permit processes and eliminating duplicative reviews to expedite permit decisions for infrastructure projects. Ongoing actions include:

### Permitting Processes

**Tracking Systems:**
Establish public website to view the status of submitted individual permit applications.

**Nationwide Permits:**
Streamline processes and pre-construction notification requirements.

**Civil Works Projects:**
Eliminate duplicative reviews for authorized Civil Works projects undertaken by non-federal interests.

### Mitigation

Provide additional guidance to clarify mitigation requirements and processes.

### Regulation Reform

Under *Executive Order 13777: Enforcing the Regulatory Reform Agenda*, revisions are underway for regulations to be modified, repealed, or replaced.

### Environmental Reviews and Permits

1. **One Federal Decision**
   USACE issued implementation guidance per Executive Order 13807 directing federal agencies to use a single, coordinated process to comply with the National Environmental Policy Act and other federal environmental laws for major infrastructure projects. The goal is to finalize environmental impact statements (EISs) within two years, using a single EIS and record of decision.

2. **Modifications to Civil Works Projects (Section 408)**
   USACE published guidance in September 2018 to streamline permissions that allow modifications to Civil Works projects (Section 408). The changes have eliminated weeks of review time, reduced pending permissions by as much as 50 percent in many Districts, and will generally result in decisions made within 90 days when all necessary information is supplied. More information can be found at: [https://www.usace.army.mil/Missions/Civil-Works/Section408/](https://www.usace.army.mil/Missions/Civil-Works/Section408/).

3. **Lead District**
   USACE issued a policy memorandum for both Section 404 and Section 408 decisions that established a “lead district” to manage permits/permissions that span multiple districts. This will clearly identify a single point of contact for permit applicants and eliminate redundant reviews.

### Mitigation

1. **USDACE published a Regulatory Guidance Letter providing clear and consistent direction on mitigation crediting for removal of in-stream obsolete structures, thereby increasing predictability for mitigation providers.**

### Regulation Reform

1. **USACE has completed review of 53 regulations identified under *Executive Order 13777: Enforcing the Regulatory Reform Agenda* to determine if any should be modified, repealed or replaced. The result of this effort is to eliminate regulations no longer relevant and to clarify and streamline those regulations that are still relevant.**
Three Mission-Critical Objectives

**OBJECTIVE 01** Accelerate Project Delivery
- Project Delivery Strategies
- Acquisition Processes and Tools
- Risk-Informed Decision-Making and Delegated Decisions
- Innovation

**OBJECTIVE 02** Transform Project Financing and Budgeting
- Alternative Financing Tools
  - WIFIA Loans
  - P3 Strategies
- Civil Works Budgeting
- Funding Flexibility

**OBJECTIVE 03** Improve Permitting and Regulation Reform
- Environmental Reviews and Permits
- Mitigation
- Permitting Processes
- Regulation Reform

REVOLUTIONIZE USACE CIVIL WORKS

BUILDING STRONG INFRASTRUCTURE
USACE is committed to modernizing internal processes, pursuing alternative financing approaches, and streamlining permitting in cooperation with stakeholders to revitalize the nation’s infrastructure.