

A View from Washington

Office of the Assistant Secretary of the Army (Civil Works) Overview

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2015 National Planning Community of Practice Training
3 June 2015



US Army Corps of Engineers
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Agenda

- **ASA(CW) history/mission/responsibilities**
- **CW Transformation – Planning**
Modernization: SMART Planning
- **"Trends" and "Hot" Topics that may affect the Corps**



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ASA (CW) History

➤ Authorization

- Section 211, Flood Control Act of 1970 (PL 91-611)
- Section 501, Goldwater-Nichols DoD Reorganization Act of 1986, PL 99-433
- General Orders Number 3, July 9, 2002

➤ Eleven ASAs since 1975

- Position Requires Senate Confirmation
- Four Star Equivalent Position





ASA(CW) Mission

Mission:

Establish policy direction and provide supervision of the Department of the Army functions relating to all aspects of the Corps of Engineers' Civil Works program, including all reimbursable work performed on behalf of Federal entities, non-Federal entities, and foreign governments.



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ASA(CW) Responsibilities

Direct and Oversee the USACE Civil Works Program

- Develop policy, plans and programs for the Civil Works Program
- Develop and defend the annual budget for the Civil Works Program
- Support recommendations of the SecArmy through the executive branch to Congress for authorization of Civil Works projects
- Congressional liaison for Army Civil Works Program





Project Planning & Review (PP&R)

Established in 2002

- In response to continuous national negative publicity associated with several Corps projects and studies
- To provide the ASA(CW) with consistent policy review of Corps of Engineers recommended projects and provide Administration position





PP&R Responsibilities

- **Support Authorization of Civil Works Projects**
- **Develop SecArmy position on Chief's Reports**
- **Provide Review Support on Corps Reports**
 - Independent Policy Review, Honest Broker
 - Key to E.O. 12322 Process, Securing OMB Support
 - OMB's primary focus: does a project merit Federal support?
 - Support Corps Program with OMB/CEQ
 - 120 Day & 60 Day review times for PP&R and OMB
- **Position Projects for Budgetary Consideration**
- **Promote Planning—Integrity, Process, Products**
- **Catalyst for change**





PP&R Report Review

Ensure national consistency, uniform treatment of sponsors, and alignment of projects with current law and policy

- Critical to program integrity and credibility
- Focus on 3-E's and Federal interest
 - Demonstration of benefits is critical area
- Advise the ASA(CW) of any issues, the policy basis, and precedent potential of decision alternatives
- PP&R and OMB review teams are dependent on report/appendix content
 - We can only understand and act upon what is written in your reports
 - So, please ensure your most experienced people read the report before it is sent to DC



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ASA(CW) & OMB

OMB is responsible for ensuring adherence to Administration policies

- Submissions to Congress from Executive Branch agencies, including the Corps, must clear OMB before transmitting to Congress
- OMB's perspective is focused very differently from Army and Corps—i.e., does the proposed project meet the policy and programs of the President
- ASA(CW) relies on Corps (HQ and field) for information needed to support their requests at OMB
 - Keep funds in reserve



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Strategic Environment

Historical Perspective—how we got to where we are:

- WRDA '86—landmark law; advent of cost sharing
- 1999 Appropriations Committee concerns—speed up the process through downsizing and delegation
- 2000-2004 “Whistleblower” case + GAO Audit of Delaware Deepening project
- 2002-2003 creation of OWPR in HQUSACE and DASA(PP&R) in OASA(CW)
- 2005 Corps-initiated Planning Transformation work
- 2006 OASA(CW)/HQUSACE Lean Six Sigma review
- “Corps Reform” efforts by Congress:
 - WRDA '07 Title II—P&G; Independent Peer Review; Project Streamlining
 - WRRDA '14 Title I—Program Reforms and Streamlining; 3x3x3 codified





My Priorities

➤ Chief's Reports review by OMB –Common Issues:

- Navigation: the need to run forecast models in no-growth scenario; ensuring commodity projections reflect reality on the ground
- CSDR and FDR: More than economics; address EO 11988 (putting people in harm's way; evacuation routes; impact on natural flood plain functions; induced development and induced flooding)
- AER: Neuse River, NC experience
- Authorized discount rate vs. 7% budgetary rate

➤ 'Teach/Assist' OMB about SMART Planning

- Experience thus far:
 - "Pilot Studies": Sutter; Jordan Creek; Lake Worth Inlet; CEPP; Westside Creeks
 - "Resets": Truckee Meadows
- If and when, new PR&G

➤ Section 7001, WRRDA 2014

- First Trial in 2015 – more on that in a moment





Civil Works Planning Transformation

Expectations—what's key to our success

- Just like the original 17+1 (and well before)—early issue identification and resolution is imperative
- Having policy-experienced people on the team
- Who's product is it—it is the District Commander's (clearly conveyed at the CWRB meetings)
- For those who were at the original Shepherdstown Off-site, I showed a 3 foot thick Chief's Report with accompanying Feasibility Report--that doesn't help; who is ensuring product consistency and integrity
- It is now more than "3x3x3"; it is "3x3x(3 + 2)"
 - It is all about concisely and succinctly "telling the story"
 - It is demonstrating just what is the specific Federal interest—the linkage to previous Corps activities; to other Fed agency efforts such as T&E species





SMART Planning Expectations

- Do not short circuit the process to recommend just what the sponsor wants – Must demonstrate the Federal interest (this is exactly what we and OMB focus on)
- We are available to assist and often do where there are difficult policy issues leading to the next decision point
- Concurrent reviews: Cano Martin Pena; Onion Creek
- Put the Chief and the ASA(CW) in the position of clearly being able to demonstrate the proposed project meets the 3-E's
- This solidifies our success with OMB





SMART Planning

Role of the Vertical Team—using the experience and knowledge to get to the decision points

- Focus detailed analysis on the selected plan that clearly demonstrates the Federal interest AND establishes the baseline cost in the Chief's Report
 - Identified using limited & conceptual data on all alternatives
 - Additional analyses developed on selected plan to feasibility level of detail
 - Design at the same level of detail as under previous process
 - Defensible baseline cost estimate to support authorization
 - Fully vetted mitigation plan with resource agency buy-in
- 3x3x3 Exceptions
 - Process allows for communicating & managing risk through exceptions
 - There is not a one sizes fits all solution





Issue Resolution Project Policy Issues Checklist

- **Use during each step of the study**
 - feasibility milestone meetings
 - draft and final reports
- **The project policy issue checklist, the risk register, the decision management plan, and the PCA Checklist all serve as guides on whether to elevate issues through the vertical team**
 - Resolve issues expeditiously, don't wait until the last minute
 - Provide the resolution, or path to resolution, in the PGM compliance memo or the decision management plan
 - Document Issues and Resolution carefully and fully





Administration Review

➤ **ASA(CW)**

- Thorough review of the Chief's Report, final feasibility report, and NEPA document prior to clearance by OMB
- Complete review, including the AGC and comment resolution, within 60 days to allow OMB review time
- Provide recommendations to Congress within 120 days of the date of the Chief's Report (Sec 2033(g) of WRDA 2007)

➤ **OMB**

- Reviews to ensure proposed project meets the policy and programs of the President (Executive Order 12322)
- Complete review in 60 days (FY08 Consolidated Appropriations Act)
- Occurs within the 120-day Army review period





Decision Making

➤ Keys to Success:

- Application of decision making tools (e.g., Risk Register, DMP, Decision Log)
 - Define vertical team commitment and buy-in to analysis and decisions
 - Acknowledge and resolve conflict and document outcome (Issue Resolution Process)
 - No surprises--clarify and communicate
 - Prepare decision makers, provide information needed
- **Bottom Line: Demonstrate the Federal interest by clearly laying out the Federal role and how the proposed project fits in with Corps mission areas**





“Trends” and “Hot Topics” Facing Army Civil Works

➤ “Trends”

- Congressional oversight
- Tight funding continues with tough competition
- More sponsors doing projects themselves
- Focus on infrastructure needs nationwide?

➤ “Hot Topics”

- New FFRMS and update to Executive Order 11988
- Coordination with OMB
- WRRDA '14 Hearing and Implementation Guidance





Section 7001, WRRDA 14

➤ Progress to Date

- Feb 2015 First Report to Congress
- Committee pushback—seeking to avoid earmarks but not happy with 1st report
- April 23, 2014 Committee hearing and intent
- May 26, 2015 Federal Register Notice

➤ What's changed, where we're headed:

- Become very familiar with the Federal Register Notice and new Implementation Guidance—ask questions now
- Both the normal Chief's Report process and 7001 process requires a **current decision document** cleared through the Administration that demonstrates the Federal interest and meets the 3-E's

➤ Categories in the Report—District and MSC need to categorize consistently

➤ Process—requires DISTRICT OWNERSHIP with focus on:

- specific understanding of non-Federal request—communicate with them!
- whether there is existing authority
- whether there is a current decision document in-play or new one needed
- path forward to get to final decision document
- uploading into proper categories + complete explanation why it's in that category





Charge to Planners

- Feasibility report is a District product—it is a reflection of your time and commitment to quality
- Chief of Engineers + ASA(CW) must stand behind it
- OMB must be convinced
- Outstanding success on GLMRIS, CERP, Sandy Comp
 - Each one of these had highly engaged vertical teams
 - “Resets” on Legacy studies has borne fruit
- All of us working together, the 3x3x3 efforts along with SMART Planning concepts will strengthen the Planning Program





Questions?



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