

# Budget Guidance

The Corps' Navigation goal is to provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of commerce, national security needs, and recreation. The purpose of this effort is to develop a risk informed, performance based budget for carrying out the Navigation mission.

# Maintenance - Make sure projects are safe to operate (managing risk)

- Navigation channel availability
- Lock closures exceeding 24 hours and one week duration due to mechanical failures – scheduled and unscheduled
- Operational Condition Assessment (OCA) and consequences/impact
- Relative Risk Rating Cumulative benefits
- Cumulative O&M costs for above benefits (over set time period)

The philosophy is to use Increment 1 as the minimum level to account for critical routine operation and maintenance activities and to use Increment 2 to account for critical non-routine activities on projects.

The total of Increment 1 plus Increment 2 represents the minimal program and is limited to 75% of the Division five-year average amount.

The total of Increments 1, 2, and 3 represents no more than 100% of the MSC five-year average.

# Increment 1

- Critical routine minimal level of dredging for high and moderate use segments of commercial deep draft, shallow draft and inland projects: No advanced maintenance dredging.
- Minimal level of dredging for Subsistence Harbors: Does not include point of origin harbor.
- Minimal level of dredging for Critical Harbors of Refuge: Does not include all Harbors of Refuge.

# Increment 2

- Only critical non-routine activities may be included in this increment.
- Critical non-routine maintenance of dredged material placement sites
- Construction of Dredged Material Disposal Facilities
- Critical studies to complete Dredged Material Management Plans

# Increment 3

- Critical Advanced Maintenance dredging on high and moderate use projects. Does not include all advanced maintenance.
- Critical minimal level of dredging and operations of low use projects that have commerce, commercial fishery, multi-agency requirements, U.S Coast Guard search and rescue, and/or public transportation.

# Increment 4

- This increment includes critical and non-critical operation and maintenance activities, both routine and non-routine, above critical work in Increments 1 through 3, that are defined by the state of the practice and are needed to sustain the expected future benefits of the project. In most cases, activities in this increment will support continuing the level of service that users, customers, stakeholders, and others have come to expect and depend on for sustaining public safety and economic, environmental and social benefits.

# Risk Assessment of Navigation Assets.

- A risk assessment involves identifying sources of potential conditions, assessing the likelihood or confidence level that they will occur and the consequences if it does occur.



# Consequence Rating Criteria

- - 1 Demonstrated<sup>1</sup> highest economic impact or >10 million Tons
  - Imminent life safety impact
  - Court Decree Mandated Action (to include environmental) DoD Strategic Ports
  - Shut down of Energy Distribution Facilities with no alternate modes of transportation
  - 2 Demonstrated<sup>1</sup> high economic impact or 5 - 10 million Tons
  - Probable life safety impact
  - Alternate modes of transportation exist for Energy Distribution Facilities, but at a higher cost than water borne transportation
  - 3 Demonstrated<sup>1</sup> moderate economic impact or 1 - 5 million Tons
  - Possible life safety impact
  - 4 Low economic impact<sup>1</sup> or <1 million Tons
  - No life safety impact
  - 5 Negligible economics (Recreation Harbors, No commercial Activity) No life safety impact.

# Condition Classification

- GOOD Depth            A        95% at Half Channel Availability at maintained
- MODERATE Depth    B        75% at Half Channel Availability at maintained
- POOR Depth            C        50% at Half Channel Availability at maintained
- FAILING Depth        D        25% at Half Channel Availability at maintained
- FAILED Depth         F        0% at Half Channel Availability at maintained

# Consequence/Economic Impact Category for Channels

- 1) Maximum risk to mission : Highest economic loss; Over 5 billion ton-miles.
- 2) High risk to mission No life safety : High economic loss; Between 3 billion and 5 billion ton-miles.
- 3) Moderate risk to mission No life safety impact : Moderate economic loss; Between 1 billion and 3 billion ton-miles.

# Definitions

- a. High-Use Projects – those deep and shallow draft navigation projects with 10 million tons or greater, and those waterways with three billion ton-miles or greater.
- b. Moderate-Use Projects – those deep and shallow draft navigation projects with one to 10 million tons, and those waterways with one to three billion ton-miles.
- c. Low-Use Projects – those deep and shallow draft navigation projects with less than one million tons, and those waterways with less than one billion ton-miles.

# Definitions

- Low-Use Harbor Channels Minimum: Supports public transportation (ferries, tour boats);
- Ensures boater safety (inlet dredging to reduce breaking wave hazards);
- Project costs yield outputs/benefits exceeding costs;
- Purpose should reflect results of investment (the “So what?”).
- Supports some commercial fishery output;

# (93) PROJECT DESCRIPTION

- : Main features/Navigation segment, 50 words or less. Complete sentences are not required. Maximum of 250 characters

# (94) BUDGET ITEM JUSTIFICATION\*:

- State proposed use of the increment amount (be as specific as possible) and what the increment amount accomplishes (what are we getting for this amount of \$). Key points to be able to distinguish from other increment or other projects. For dam safety items (inspections and studies), the "Purpose" field should include what is being studied, the expected report completion date, if not completing in the PY, the additional \$ needed to complete, and estimated cost (magnitude) of the construction cost. It would be expected that additional increment requests would show improvement in appropriate performance indicators. Maximum of 160 characters.

## (95) CONSEQUENCES\*:

- What is penalty (consequence) if not funded this PY - increment amount needed to comply with safety, settlements, loss of service, structural failure, etc. It would be expected that additional increment requests would show improvement in appropriate performance indicators. Maximum of 160 characters.



# (96) REMARKS\*:

- Additional critical information to support increment amount that is not in the other fields and what is called for from other fields. Use to explain District & Division ranks, lack of data in required fields, special legal or other requirements, safety issues, etc. Provide rationale to support funding of O&M Major Maintenance Items under C. Document infrastructure at significant risk to justify budget requests. It would be expected that additional increment requests would show improvement in appropriate performance indicators. For projects with an N/A in any field, such as BCR and RBRCR, explain why they are not required. Maximum of 600 characters.

# Communicate!

- Know the Corps' Project Manager
- Talk to the PM on a very regular basis
- Update PM on activities at your facility
- Discuss with PM on consequences of Not Fully Maintaining