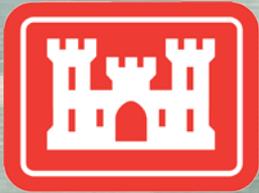


Navigation Program Overview for Regional Sediment Mgmt Group

Jim Walker

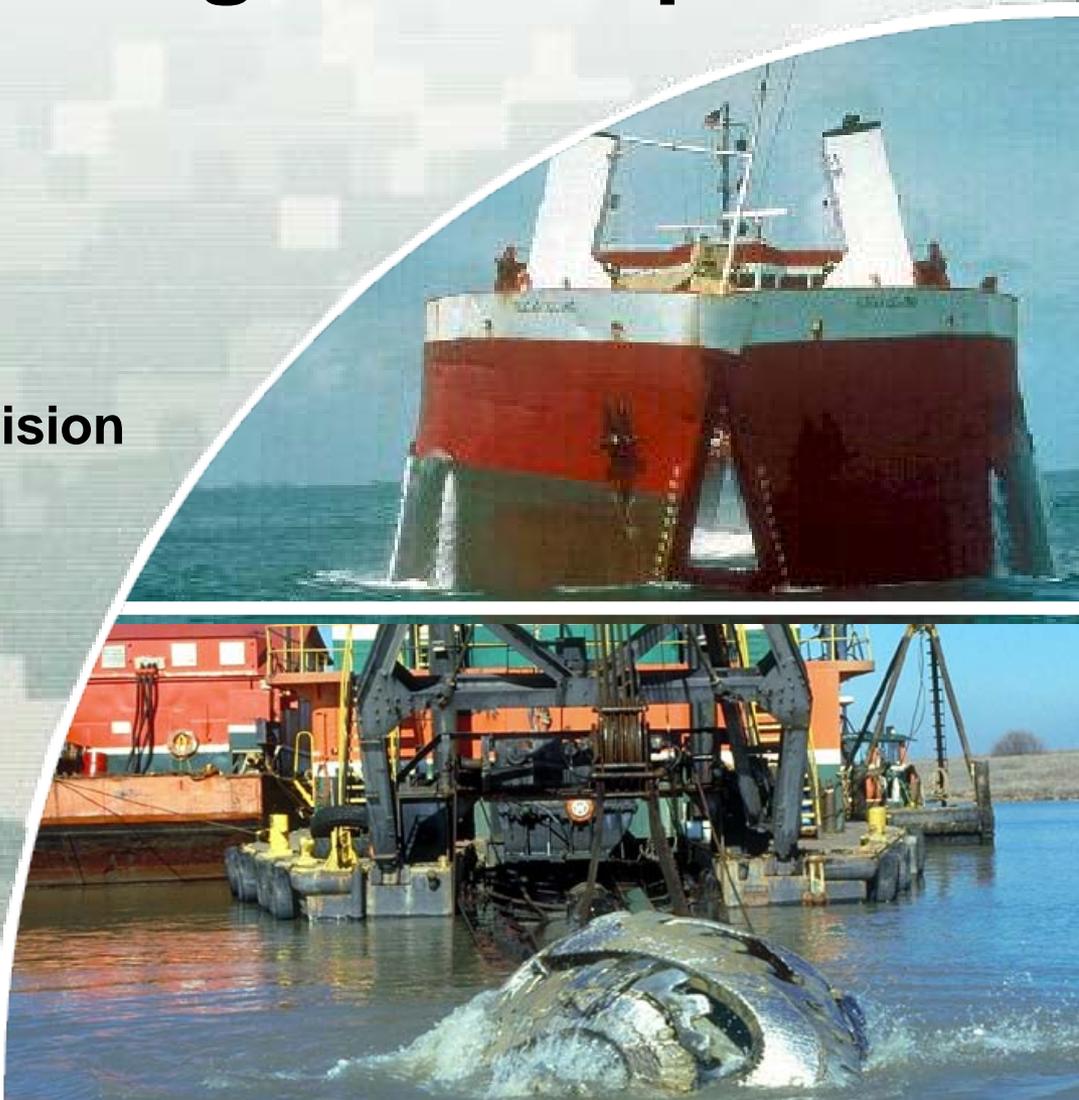
**Navigation Branch Chief
Operations and Regulatory Division**

10 Aug 2011



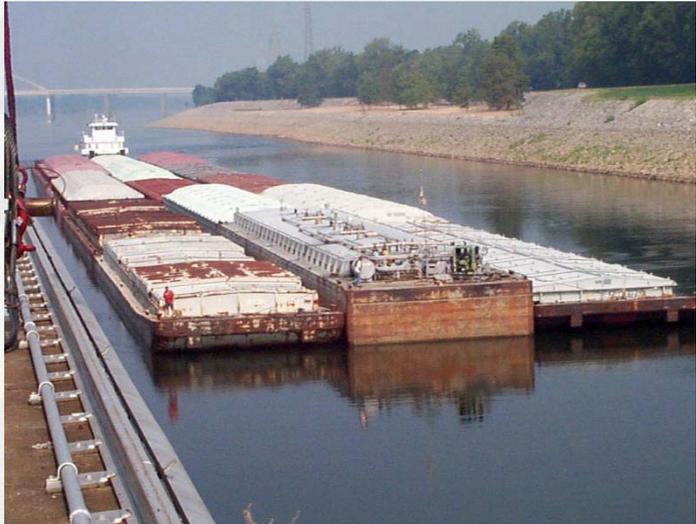
®

US Army Corps of Engineers
BUILDING STRONG®



Corps Navigation Mission

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



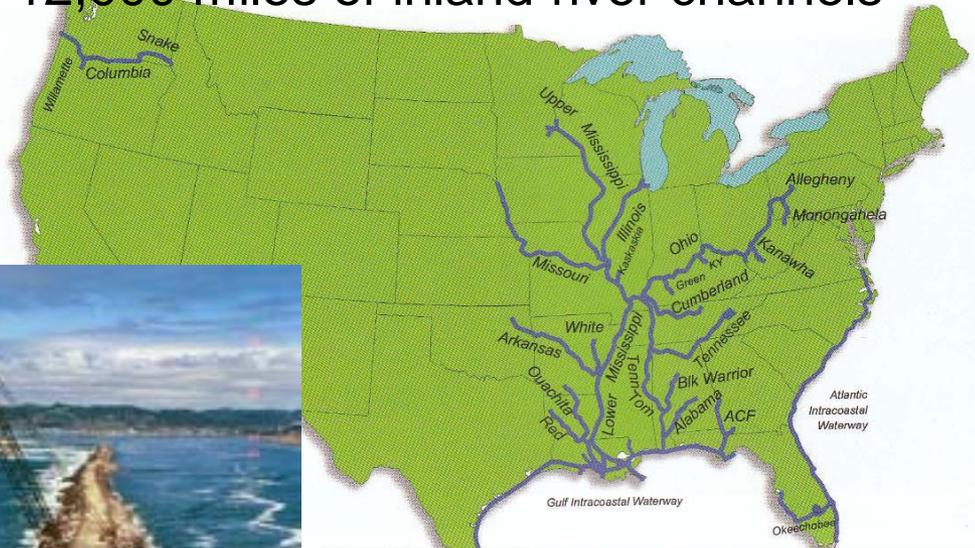
USACE Navigation Assets

INLAND NAVIGATION

27 Inland River Systems

207 lock chambers @ 171 lock sites

12,000 miles of inland river channels



COASTAL NAVIGATION

1067 Navigation Projects

19 lock chambers

13,000 miles of channels

929 navigation structures

844 bridges



Where should Navigation be?

- Supporting the President's initiative to double exports over the next 5 years
- Preparing for new Panama Canal locks
- Postured for Environmental Improvement
 - Beneficial Uses of Dredged Material
 - Regional Sediment Management
- Investing in ports to maintain the US first tier trading status
- Contributing to the deficit reduction



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

Funds went to Flood Damage Reduction - DSAC ratings and Life Safety impacts; Environment also increased.



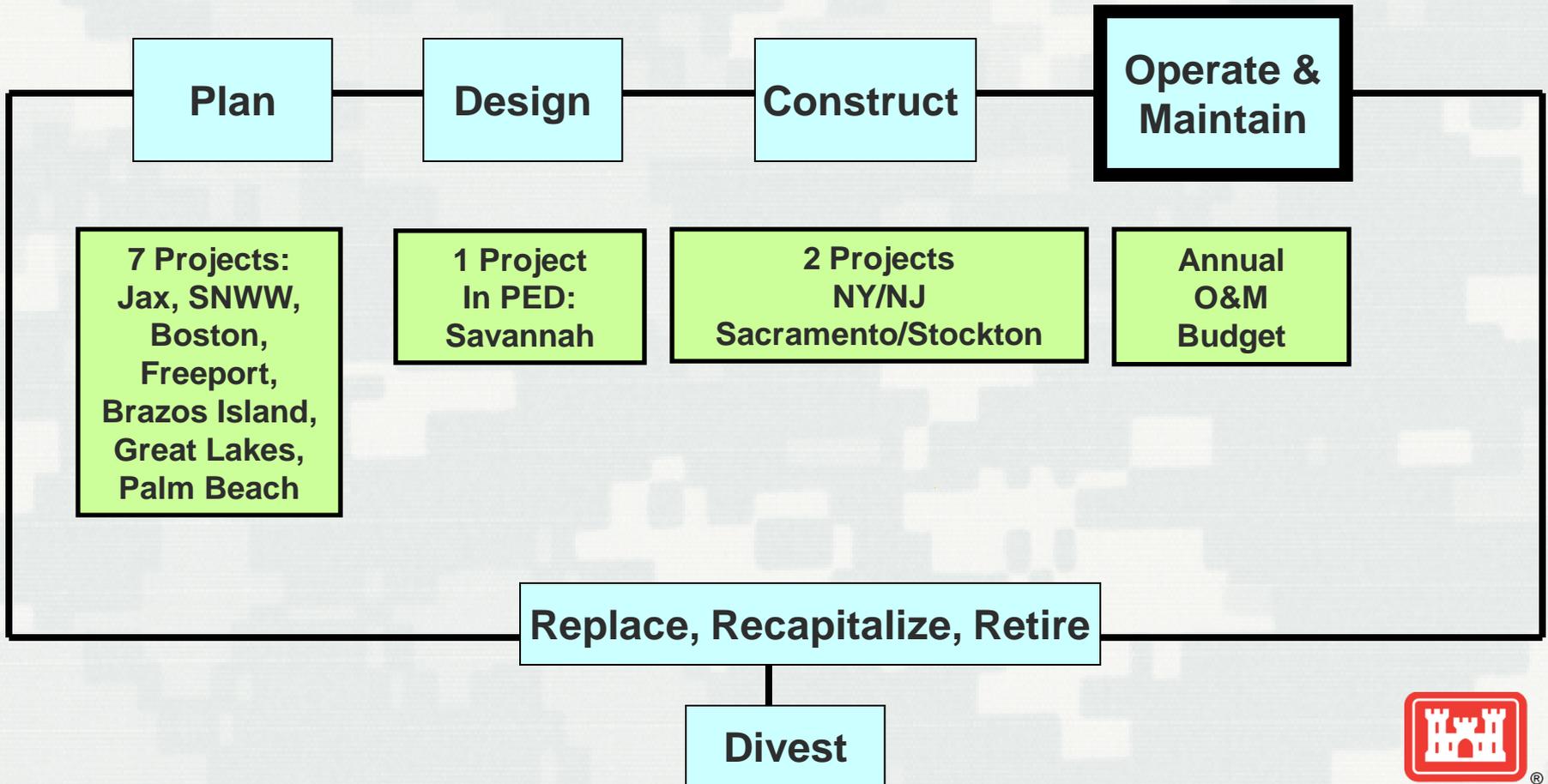
FY12 O&M Budget Coastal Navigation

| 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



Asset Management Life Cycle - Coastal Navigation Pipeline

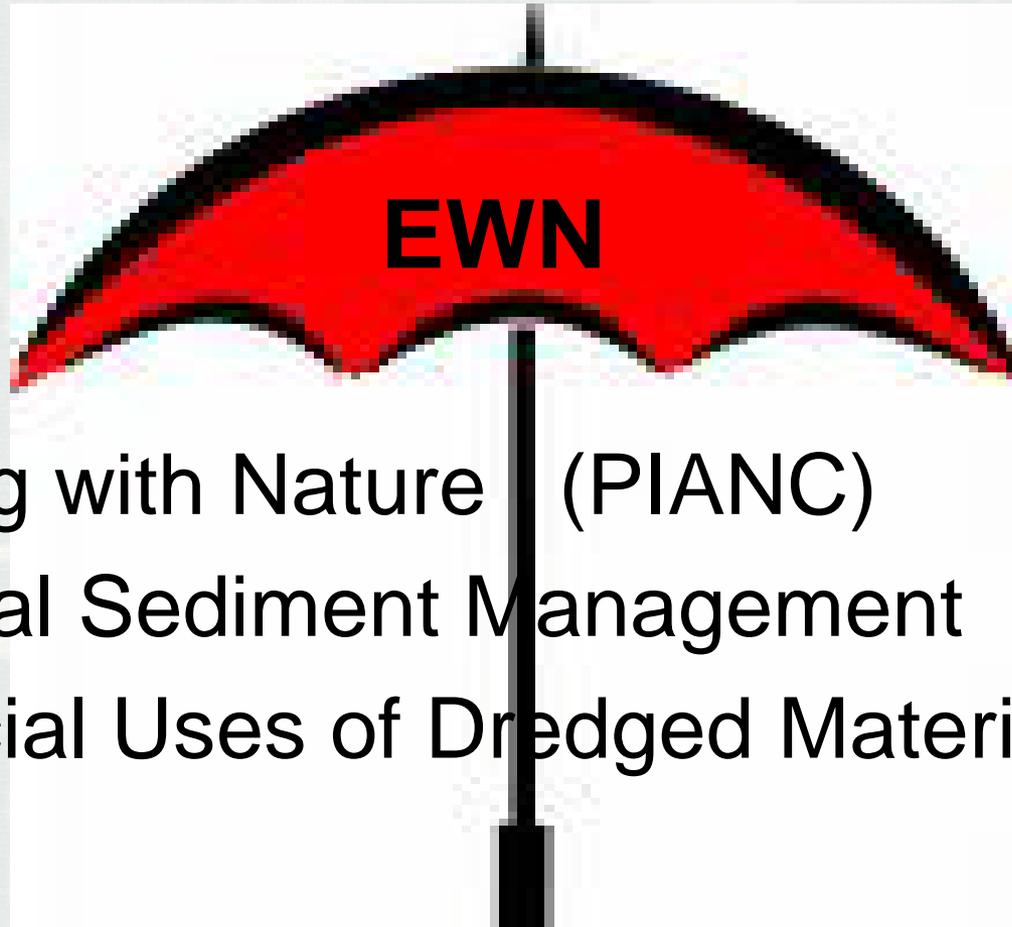


My RSM Expectations

- Improve channel availability
- Reduce dredging and/or dredging cost
- Improve environmental quality
- Focus on commercial use nav projects
- Practice 'Adaptive Management'
- Incorporate RSM as standard business practice
- Good program execution



Engineering with Nature



- Working with Nature (PIANC)
- Regional Sediment Management
- Beneficial Uses of Dredged Material



Collaboration

- Constrained funding necessitates collaboration
- Geographic - Watershed based
- Within USACE – Nav, Coastal Storm Damage Reduction, Environmental Restoration
- Cross agency – USACE and DoT
- Improve collaboration processes – accept \$



Bottom Line

- I support RSM
- I see the benefit RSM can provide to the environment and the economy
- We must focus the constrained RSM dollars on these objectives



Closing

What do we do?
Provide Navigation
infrastructure that is Reliable,
Efficient and Resilient.

Why is it important?
This infrastructure enables
American goods to compete in
the Global marketplace

