

President's Fiscal Year 2006 U.S. Army Corps of Engineers' Civil Works budget released

Seattle--The Fiscal Year 2006 (FY06) budget transmitted to Congress Monday includes \$4.513 billion in new federal funding for the Civil Works program of the U.S. Army Corps of Engineers. More than \$58 million of the federal funding is for the Civil Works projects within the Seattle District of the Army Corps of Engineers.

The Army Civil Works program contributes to the development and restoration of the Nation's water and related resources; Operation and Maintenance of existing federally-owned water resources projects; protection of the Nation's waters and wetlands; and restoration of contaminated sites.

The new federal funding in the Civil Works budget consists of \$3.436 billion from the general fund, \$674 million from the Harbor Maintenance Trust Fund, \$184 million from the Inland Waterways Trust Fund, \$37 million from Special Recreation Use Fees, \$1 million from Disposal Facilities User Fees; and, \$181 million from the direct funding of hydropower Operation and Maintenance costs by three federal power marketing administrations.

The budget would be distributed as follows among the appropriation accounts:

- \$1.979 billion for Operation and Maintenance (OM)
- \$1.637 billion for Construction (CG)
- \$270 million for Flood Control, Mississippi River and Tributaries
- \$162 million for General Expenses
- \$160 million for the Regulatory Program
- \$140 million for the Formerly Utilized Sites Remedial Action Program
- \$95 million for General Investigations (GI)
- \$70 million for Flood Control and Coastal Emergencies

The FY 2006 budget is very much a performance-based budget. As an example, the budget uses seven objective, performance-based guidelines to allocate funds among construction projects, to achieve greater value to the Nation from the Civil Works construction program. In recent years, many more construction projects have been authorized, initiated, and continued than can be constructed efficiently. This has led to the postponement of benefits from the most worthy projects, which has significantly reduced overall program performance.

To remedy this situation, the Army Civil Works budget provides a high level of construction funding for 61 projects that offer the highest returns, and substantial funding for 44 other high-return projects. The budget includes a \$200 million increase over the 2005 budget request to accelerate progress on high return projects, and proposes that the added funding be available only if the enacted legislation is substantially consistent with the seven performance budgeting guidelines. The budget also proposes that ongoing work on lower priority projects be considered for deferral, setting aside \$88 million to cover the associated costs.

High priority Construction and General Investigation projects budgeted for the Seattle District are:

- Construction of Howard Hanson Dam Fish Passage and Additional Water Storage- \$14.1 million (CG)
- Construction of the Chief Joseph Dam gas abatement project- \$8 million. (CG) (Included within the Columbia River Fish Recovery Project)
- Construction of the dam safety project at Mud Mountain Dam on the White River- \$4.4 million (CG)
- Lake Washington Basin Restoration (Water Conservation) Feasibility Study- \$470,000 (GI)
- Chehalis River Basin Ecosystem Restoration Feasibility Study- \$340,000 (GI)
- The Puget Sound Nearshore Ecosystem Restoration Feasibility Study- \$470,000 (GI)

Lower priority projects not budgeted for the Seattle District are:

- White River Flood Control and Ecosystem Restoration Study (GI)
- Skagit River Damage Reduction Study (GI)
- Elliott Bay Seawall Storm Damage Reduction Study (GI)
- Centralia Flood Control Project (GI)
- Stillaguamish Project (GI)
- Shoalwater Bay Shoreline Erosion Protection Design (CG)
- Duwamish-Green River Basin (CG)
- Puget Sound and Adjacent Waters Restoration (CG)

The highest-return construction projects include projects considered to be national priorities, including projects to meet environmental requirements in the Columbia River Basin (\$102 million) and the Missouri River basin (\$83 million).

The budget provides for funding to continue other projects with high returns as measured by the remaining benefits of the project, relative to the remaining costs, or, for aquatic ecosystem restoration projects, the extent to which the project cost-effectively addresses a significant regional or national ecological problem.

The Civil Works budget provides for substantial funding to meet performance targets in the Regulatory Program (\$160 million), Emergency Management Program (\$70 million for Flood Control and Coastal Emergencies), and Recreation Program (\$268 million), which have been rated "Moderately Effective" using the Program Assessment Rating Tool (PART).

The budget for Operation and Maintenance provides \$72 million for key facility protection, and a much-needed \$20 million reserve fund to perform unexpected, urgent maintenance and repairs at key facilities.

Among navigation projects, the budget emphasizes harbors and waterway segments with high volumes of commercial traffic, and lower-use harbors that support significant commercial or subsistence fishing or provide public transportation benefits. The budget proposes recreation modernization using the additional revenues from expanded user fees and innovative partnerships with non-federal interests.

As a further example of performance-based budgeting, Seattle District's Lake Washington Ship Canal and Hiram M. Chittenden Locks would receive about \$2 million less for Operation and Maintenance than last year's budget provided. While the Chittenden Locks is one of the busiest locks in the country, the majority is recreational vessel passage, and national funds are being directed primarily to those harbors and waterways that have high volumes of commerce.

The Seattle District will seek to maximize the efficient use of funds within this budget to provide the greatest support possible to the Nation. We will engage our employees, project sponsors and users, and other partners to achieve this efficiency and keep them fully informed along the way.

Col. Debra M. Lewis, Commander of the Seattle District Corps of Engineers, said, "The FY06 budget outcomes reflect the nation's priorities and policies to make the best use of available funds. The Seattle District looks forward to working with our regional partners to identify, prioritize, and address our many challenges. Together we will continue to respond to all emergencies and the growing demands placed on our precious water resources and infrastructure. We remain committed to support the nation's war fighting capability, respond to disasters, sustain critical infrastructure, maintain navigable waterways, and safeguard the environment."

The FY 2006 Army Civil Works budget information, including a state-by-state breakdown, is available on the Corps' World Wide Web site at www.usace.army.mil