



December 10th, 2020

Identifying, Tracking and Winning Work under Multi-Billion Dollar USACE Supplemental Programs

Agenda

- Introductions
- Presentation by Lars Zetterstrom
- Q & A – *please use the Q+A button to ask questions*



About Fedmine

We are the largest aggregator of federal spending data

WHO

Fedmine

Our online platform analyzes and **simplifies** the increasingly complex federal business landscape in real-time, providing you the visibility you need into your addressable market of business opportunities.

Monitor federal
spending by industry,
geography or
socioeconomic status

Conduct fast Super Searches, create custom keyword alerts, discover subcontractors at the task order level, with complete comprehension of what matters most

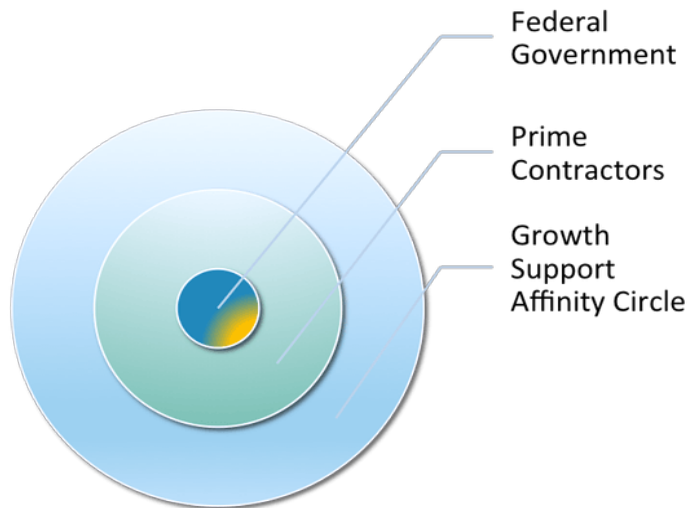
- Receive daily alerts based on awarded contracts within your addressable market
- Build a pipeline with re-compete and newly forecasted solicitations
- Dissect competition, quickly view agency profiles, drill down to key contacts and download information for marketing needs

Our Strength



Accessible content, easy to use functionality, aggregated data sets that unify views of information from disparate data sources in real-time

Clients include Prime Contractors, Growth Support organizations and the Federal Government itself – we call this the “Fed Circle”



Integrated Datasets are King

Curated, ready-to-use content is an asset many in government ascribe a premium value, especially if it is through SaaS delivery



Meet the Presenter

Lars Zetterstrom

Vice President, Federal Program Manager
Lockwood, Andrews & Newnam, Inc.

Identifying, Tracking and Winning Work under Multi-Billion Dollar USACE Supplemental Programs

Lars N. Zetterstrom, PE
Vice President, Federal Programs
Lockwood, Andrews & Newnam (LAN)

10 December 2020



Lockwood, Andrews
& Newnam, Inc.
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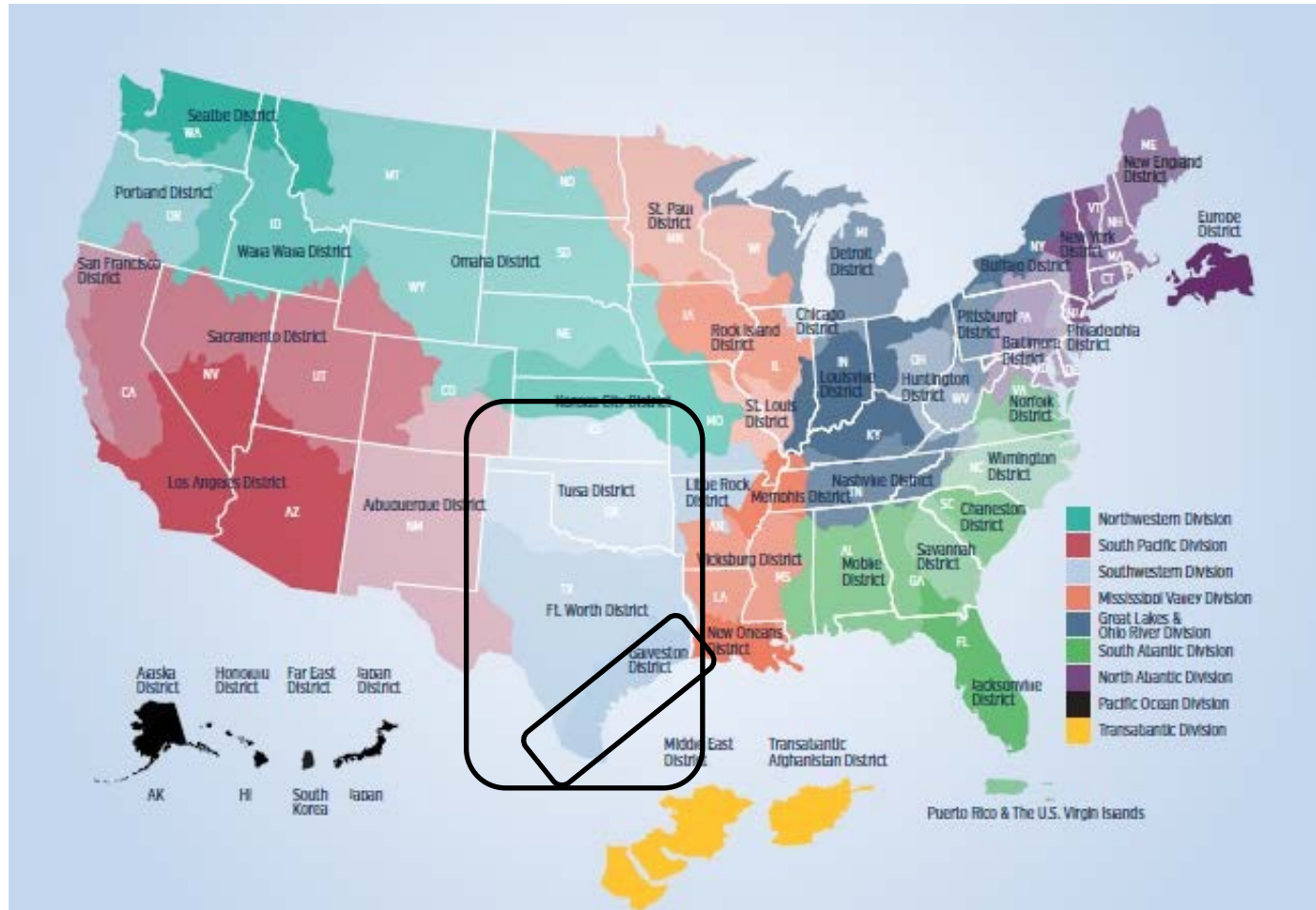
USACE MISSION, VISION, & ORGANIZATION

USACE Mission

Deliver vital engineering solutions, in collaboration with our partners, to secure our Nation, energize our economy, and reduce risk from disaster.

USACE Vision

Engineering solutions for the Nation's toughest challenges.



Headquarters

9 Divisions

43 Districts

9 Centers and Labs

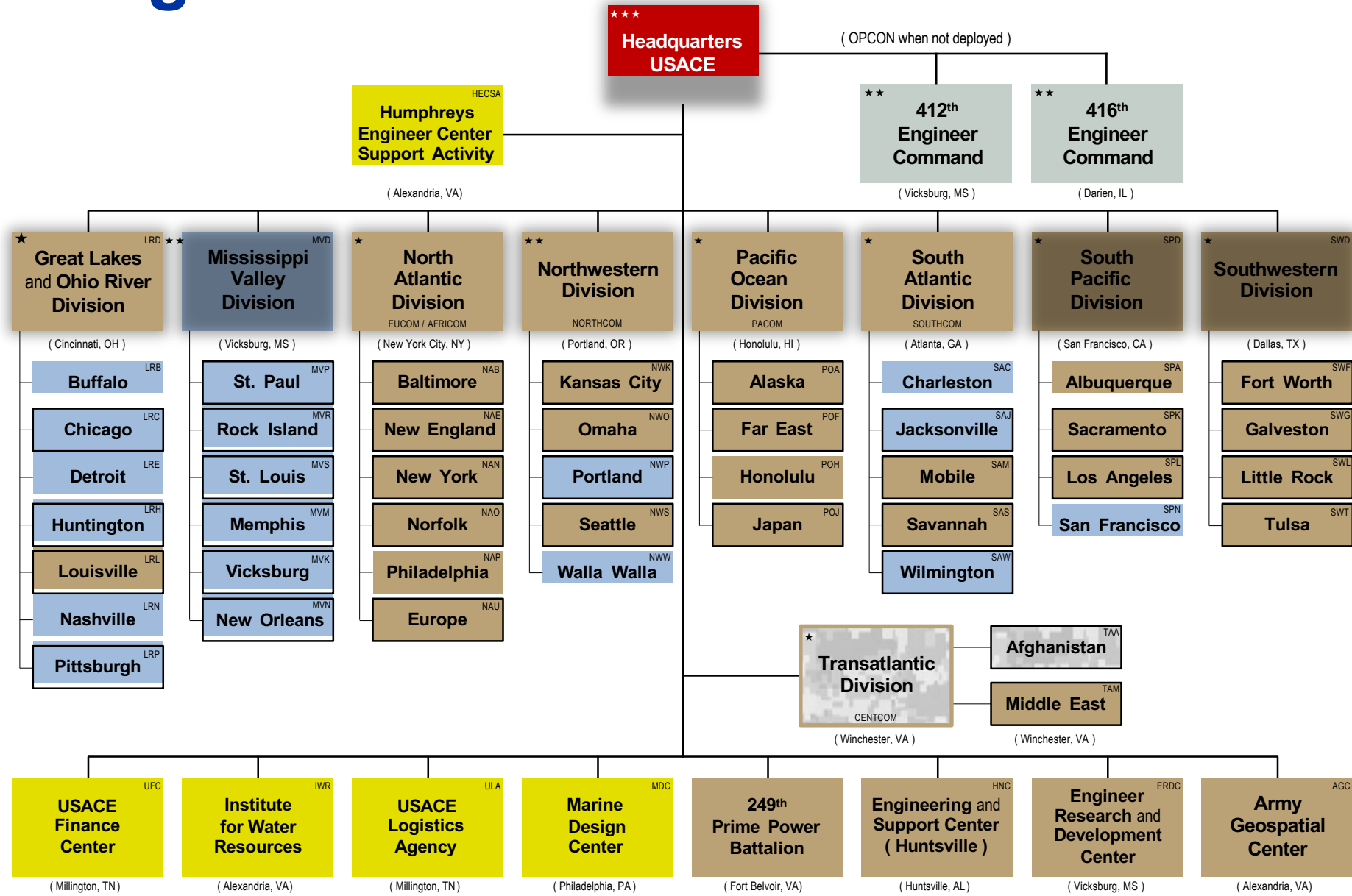
1 Active Duty Unit
249th Prime Power Battalion

2 U.S. Army Reserve
Theater Engineer
Commands
412th and 416th



33,000 DA Civilians; 700 Military; \$42 Billion Budget

USACE Organizational Structure



USACE Mission Areas



USACE IS “FEMA’S ENGINEER”

US Army Corps of Engineers®

EMERGENCY SUPPORT FUNCTION (ESF) #3

Public Law 93-288
Stafford Act
(National Response Framework)

Public Works and Engineering assistance to
DHS/FEMA -led national response
“Natural Disaster / Emergency Response”

Public Law 84-99
(Flood Control & Coastal Emergency Act of 1955)
Prepare / Respond / Repair
“Flood Fight”



Temporary Emergency Power
(249th Prime Power Battalion)



Urban Search and
Rescue



Project Operation



Technical Assistance /
Sandbag Preparation



Critical Public Facilities



Temporary Roofing
“Blue Roofs”



Emergency Levee
Repair / Construction



Channel Dredging



Debris
Management



Temporary Housing



USACE Civil Works (CW) Legislation

Authorization

- Water Resource Development Act (WRDA): Bi-annual (maybe)

Appropriations

- Energy & Water Bill: Annual, ~\$5B Annually
 - Earmark Ban led to “Workplan” Process

Funding Categories

- Investigations
- Construction
- Operations & Maintenance

Supplemental: After an event

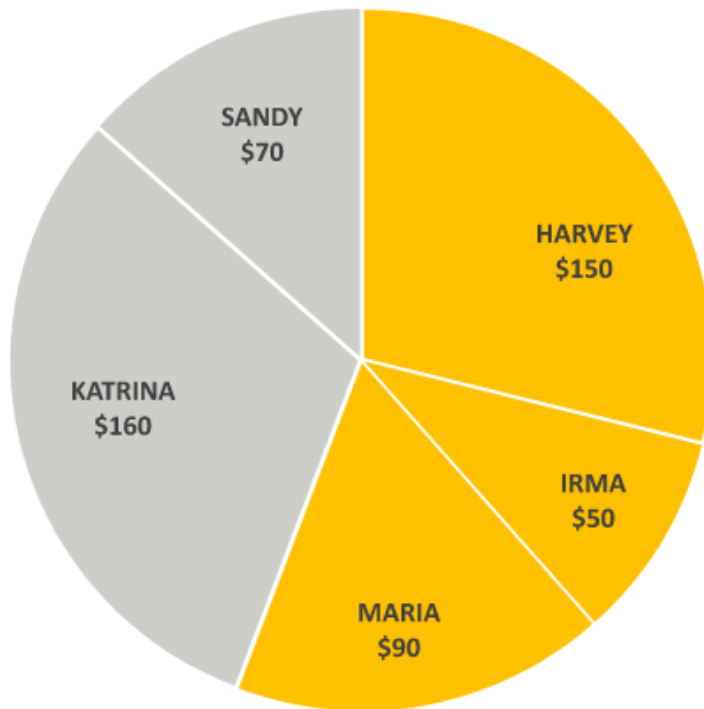
- 2005 - Katrina: ~\$16B
- 2008 - American Restoration & Recovery Act (ARRA): ~\$9B, focused on “Shovel Ready” projects
- 2013 - Sandy: ~\$17B
- 2018 - Harvey, Irma & Maria = Bipartisan Budget Act (BBA):\$14.6B

Compare



US HISTORY FIVE COSTLIEST HURRICANES

ESTIMATED DAMAGE COSTS (\$BILLIONS)

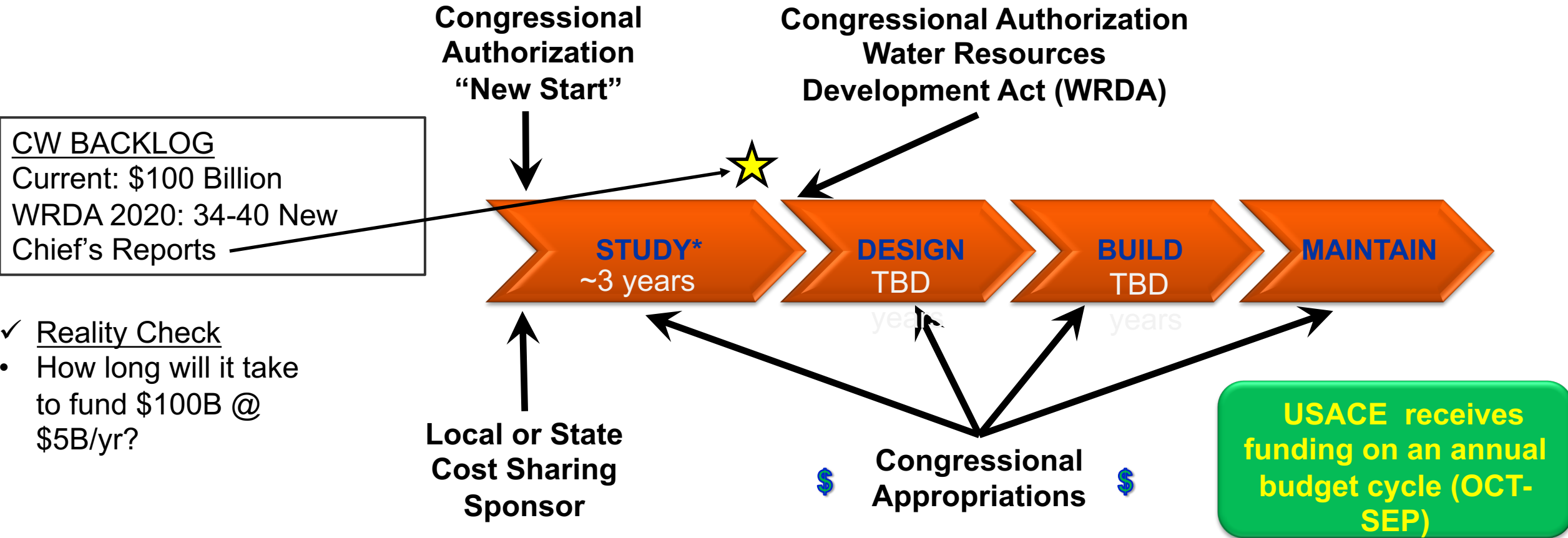


(Source: National Oceanic and Atmospheric Administration (NOAA); 2018)



- The Three big hurricanes of 2017 – Harvey, Irma, Maria – now 3 of the 5 costliest hurricanes in US history
- 2017 the costliest hurricane season in U.S. history (\$290B)

Civil Works Project Delivery Process



Future Supplemental Bill Flow



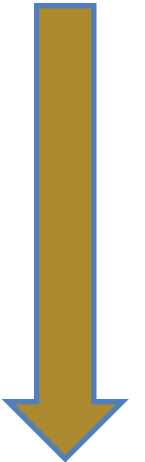
Event Happens

- Congress Enacts Legislation
 - May request legislative drafting service
- USACE HQs Drafts Implementation Guidance
 - Only existing authorized projects are likely to be considered
- Data Call from HQs thru Division to Districts
 - Investigations
 - Construction
 - Operations & Maintenance
- HQs proposes studies/projects thru ASA(CW) to OMB
 - Passback Process
- Final Array of Studies/Projects Approved
- Districts Funded
- Acquisition Strategy Determined

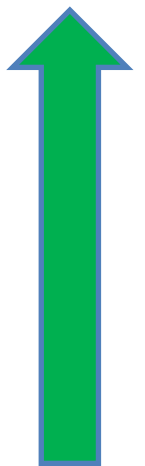
POLITICS

TIME

Top Down



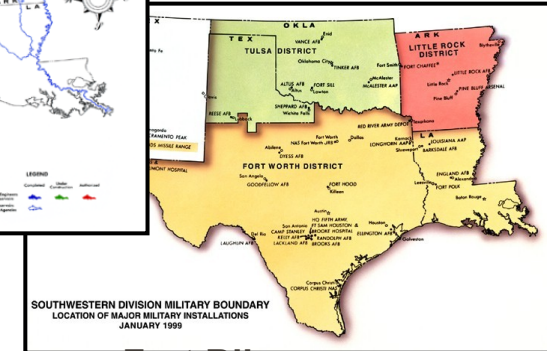
Process



Bottom Up

Southwestern Division

- 4 districts in all are part of 7 states, 77 years of service to the southwest, over 3000 employees
- Civil Works - flood control, lakes and dams, waterways
- Military Construction - 10 Army and 11 Air Force installations
- Support for Others - management for other agencies, i.e. Homeland Security, ICE



Freeport



MKARNS



Fort Bliss
Replacement Hospital





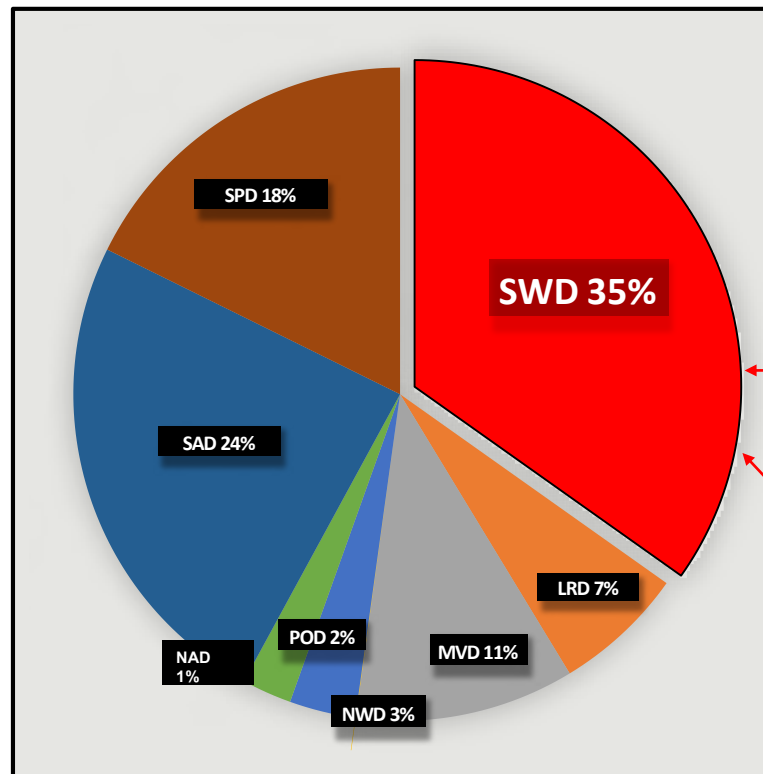
AUG 2020

Southwestern Division Harvey Supplemental Program – Bipartisan Budget Act 2018 Background and Context

BBA 2018 Quick Facts

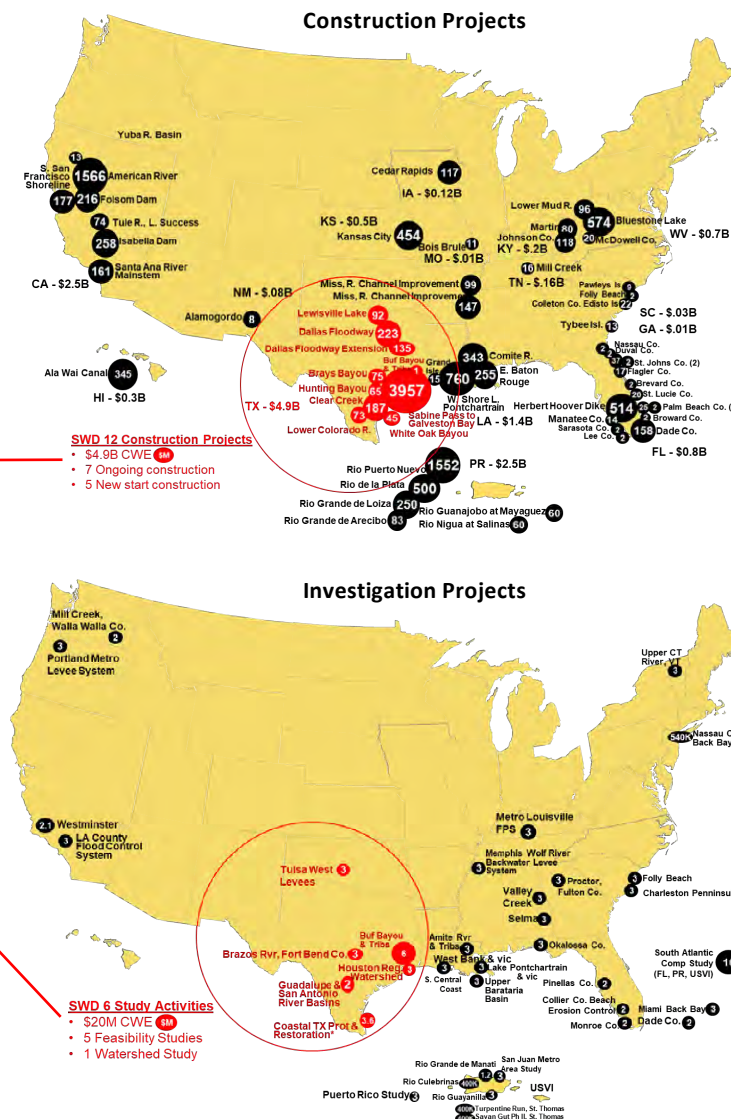
- PL 115-123 enacted 9 FEB 2018
- Total \$16.5 billion dollars
- 58 construction projects (\$15.1B)
- 38 study projects (\$135M)
- 170 Short-term projects (\$1.4B)

USACE Long-term BBA2018 Funding Distribution



SWD largest % of long-term appropriation (\$5.09B)

**Galveston District \$4.5B worth of storm
damage repair and risk reduction investment**



Southwestern Division Harvey Supplemental Program – Execution Accomplishments and Outlook

The USACE objective is to **Drive Quality Project Delivery** to "turn dirt" and complete projects as quickly as legally and technically possible.



Every day that a project is not generating project benefits is an additional day that the Nation and its citizens are exposed to the risk of additional storm damage.

SWD BBA18 Execution Accomplishments

- Short-term Repairs –
 - Twenty-five (25) Construction Contract Awards
- Investigation Studies –
 - One (1) Chief's Report; completed 6 months ahead of schedule and \$700K under budget
- Construction Projects –
 - Two (2) Construction Contract Awards
 - Nine (9) Design Starts

SWD BBA18 Execution Outlook



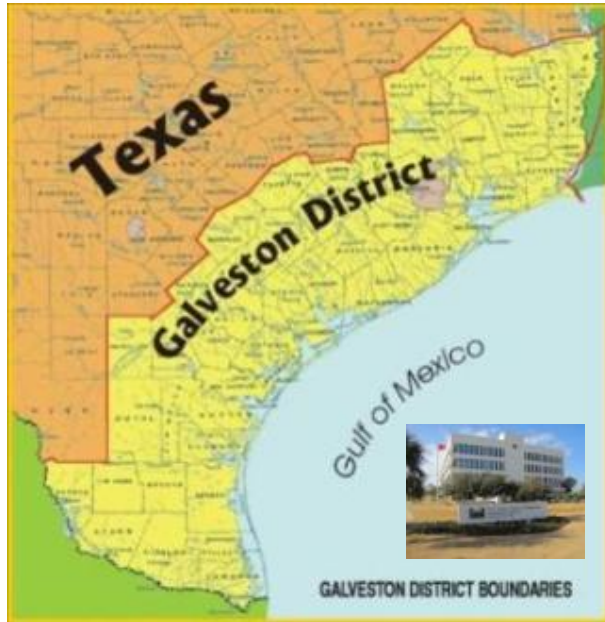
FY21 HORIZONTAL CONSTRUCTION

SOUTHWESTERN DIVISION (SWD)

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Contract Name	District	Place of Performance	Solicitation /Advertise Date	NAICS Code	Range	Solicitation Type	Acquisition Strategy
Construction MATOC – Border Infrastructure (Horizontal)	Fort Worth	SWD/SPD	Q2FY21	237310	\$4B	MATOC	Various
Construction MATOC – Civil Works, Military, IIS (Horizontal)	Galveston	SWD	Q1FY21	237990	\$7B	MATOC	TBD
Colorado River Phase 1 Levee	Fort Worth	Wharton, TX	Q2FY21	237310	\$25-50M	MATOC	Unrestricted
Colorado River Phase 2 Levee	Fort Worth	Wharton, TX	Q4FY21	237310	\$10-25M	MATOC	Unrestricted
277K Levee Raise & 4:1 Slopes (Design-Build)	Fort Worth	Dallas, TX	Q3FY21	237310	\$25-50M	MATOC	Unrestricted
Charlie Pump Station (Design-Build)	Fort Worth	Dallas, TX	Q4FY21	237310	\$50-100M	MATOC	Unrestricted
Trinity Portland Pump Station (Design-Build)	Fort Worth	Dallas, TX	Q4FY21	237310	\$50-100M	MATOC	Unrestricted
Houston Ship Channel - Spilman PA Improvements	Galveston	Houston, TX	4QFY21	237990	\$5-\$10M	TBD	TBD

Galveston District



- **Navigation**
- **Flood Risk Management**
- **Regulatory**
- **Ecosystem Restoration**
- **Emergency Management**
- **Interagency & International Support**

- First engineer district in Texas, established 1880
- 50,000 square mile district boundary, ~100+ miles inland
- 28 ports handling 550+ M tons of commerce annually (FY 15)
- 1,000+ miles of channels
 - 750 miles shallow draft
 - 270 miles of deep draft
- 367 miles of Gulf coastline
- 30-40 M cubic yards/yr material dredged
- 16 Congressional districts
- 48 Texas counties, 4 Louisiana parishes
- 18 Coastal counties - bays / estuaries
- 9 watersheds



Bipartisan Budget Act of 2018: SWG Projects

Title IV - Corps of Engineers

- **Investigations**

- \$75M (of \$135M total) for States and areas impacted by Harvey, Irma, and Maria
- Full Federal expense
- Reduce flood and hurricane risk

- **Construction**

- \$10.425B (of \$15B total) for States and areas impacted by Harvey, Irma, and Maria
- NFS cash contribution financed over 30 years post construction completion
- Construct flood and storm damage reduction projects authorized/Chief's Reports/studies under investigations

- **Implementation Guidance and Investment Program:**

<https://www.usace.army.mil/Missions/Civil-Works/Budget/>

USACE – Galveston District Funded Projects

Project Name	Funding
CONSTRUCTION	
Brays Bayou, TX	\$75,000,000
Buffalo Bayou and Tributaries, TX (Phase 1)	\$1,454,000
Clear Creek, TX	\$295,165,000
Hunting Bayou, TX	\$65,000,000
Lower Colorado River Ph 1 (Wharton, TX)	\$73,290,000
Sabine Pass to Galveston Bay, TX	\$3,957,134,000
White Oak Bayou, TX	\$45,000,000
TOTAL CONSTRUCTION	\$4,512,043,000
GENERAL INVESTIGATION STUDIES	
Coastal Texas Protection & Restoration Study, TX	\$3,804,000
Buffalo Bayou Resiliency Study, TX	\$6,000,000
Houston Regional Watershed Assessment, TX	\$3,000,000
Brazos River Erosion Management Study, TX	\$3,000,000
TOTAL STUDIES	\$15,804,000





LOW UNCERTAINTY

Program Drivers

- SNWW
- CCSC
- Cedar Bayou
- Freeport Harbor
- 211f projects
- Addick's and Barker Safety
- Clear Creek
- Greens
- Chocolate
- S2G Port Arthur Construction

Existing
Opportunities?

More Likely Factors

- Already funded, consistent with Civil Works Transformation
- Projects in continued status are likely to receive continued funding.
- Strong NFS in pursuing additional funding.

Less Likely Factors

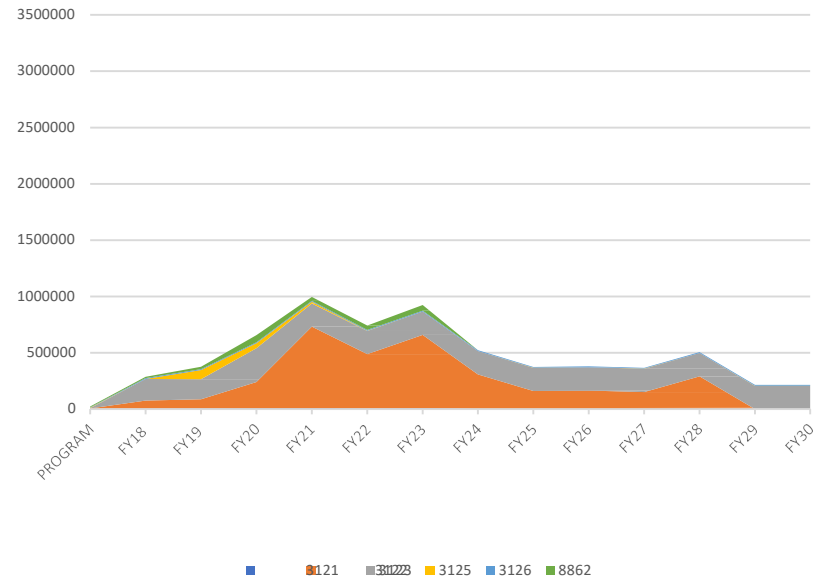
- Uncertainty with future budgets.
- Budget amounts are not always optimum for project construction.



Decision Drivers and Trigger Points

- This is the already authorized and appropriated program. No reason to believe it will be defunded.
- Minor storm seasons drive continued infrastructure investment.
- Large storms or stimulus could accelerate project delivery.

LOW Estimate





MEDIUM UNCERTAINTY

Program Drivers

- HSC construction
- BRCRL PED & construction
- MSC construction
- Jefferson construction
- Resaca construction
- HGNC Extension construction
- BIH construction
- GIWW Coastal Resilience PED & construction
- CCSC La Quinta Expansion PED & construction
- GIWW High Island to Brazos construction
- S2G Freeport & Orange construction

More Likely Factors Less Likely Factors

- Revolutionary project delivery methods (P3, advanced funding, WIK) consistent with Civil Works Transformation
- Strong NFS in pursuing additional funding.
- Uncertainty with future budgets

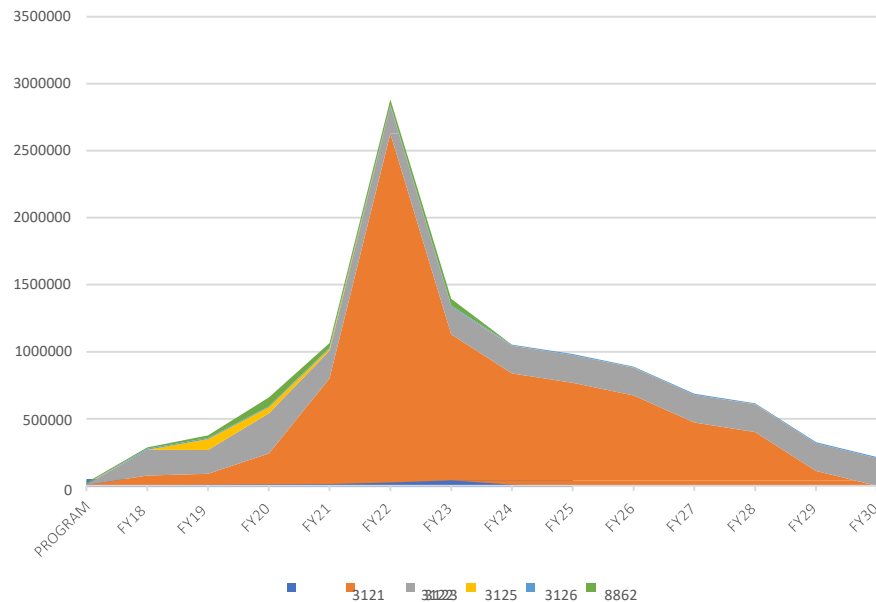


Supplemental Opportunities?

Decision Drivers and Trigger Points

- These are driven by both budget appropriations and outside forces (P3, advanced funds, WIK, etc.) not yet realized.
- Minor storm seasons drive continued infrastructure investment
- Large storms or stimulus could accelerate project delivery.

MEDIUM Estimate





HIGH UNCERTAINTY

Program Drivers

- Coastal Texas PED & construction

Supplemental
Opportunities?

Decision Drivers and Trigger Points

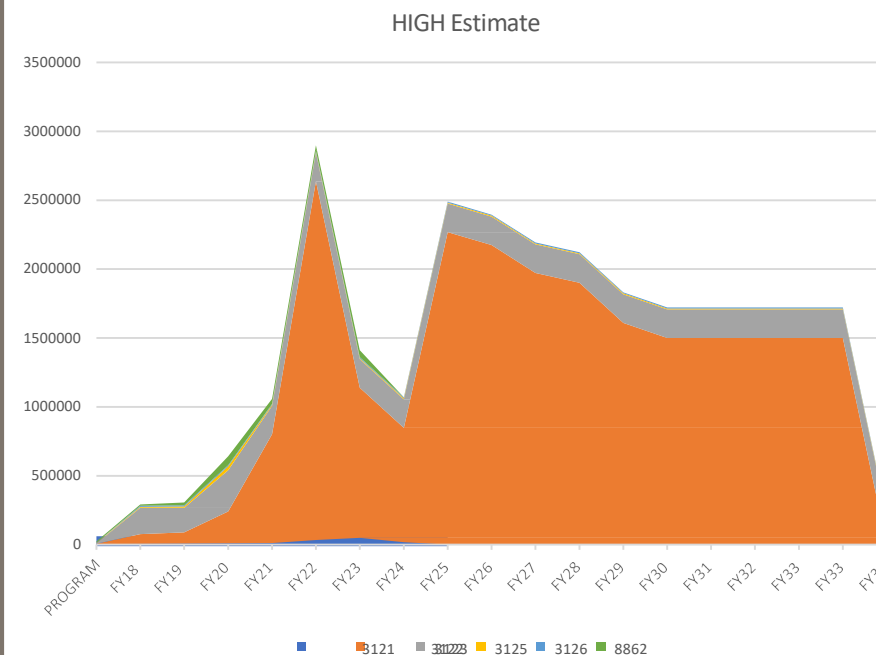
- Coastal Storm Impacts – Supplemental funding

More Likely Factors

- Additional Coastal storm damage.
- Political Will for Authorization & appropriation
- Public support

Less Likely Factors

- Magnitude of the project leads to “other than” annual appropriation bill.
- State of the National Economy – Ability to fund
- Political will – Appropriation



Status of SWG Program and Remaining Opportunities

- a. Small Business Industry Days
- b. Semi-annual Stakeholder Partnering Forums
- c. Capability Briefings
- d. SAME Updates
- e. [Beta.sam.gov](https://beta.sam.gov)/FEDMINE/Others



FY21 HOUSE E&W APPROPRIATIONS BILL

PASSED 31 JULY 2020

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Total for the Civil Works program is \$7.63 Billion of “regular” appropriations + \$17.0 Billion of supplemental appropriations

- Investigations - \$151 million (FY21 budget \$103 million)
 - Corps SHALL initiate 7 new study starts
- Construction - \$2.620 billion (FY21 budget \$2.220 billion)
 - Corps SHALL initiate 7 new construction starts among Construction and MR&T accounts
- MR&T - \$365 million (FY21 budget \$210 million)
- O&M - \$3.838 billion (FY21 budget \$2.959 billion)
- Regulatory - \$205 million (FY21 budget \$200 million) - Funds expire on September 30, 2022
- FUSRAP - \$210 million (FY21 budget – not included)
- FCCE - \$35 million (FY21 budget \$77 million)
- Expenses - \$200 million (FY21 budget \$187 million)
- ASACW - \$5 million (FY21 budget \$5 million) 2022



HOUSE PASSED FY21 COVID-19 SUPPLEMENTAL APPROPRIATIONS



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Total of \$17.0B – for Infrastructure Investments

- Investigations - \$110 million New starts allowed w/out limitation
- Construction - \$10 billion (tot) New starts allowed w/out limitation; Sec 902 waived; Waives \$100M annual cap on reimbursements; funds can be utilized for specific CAP sections
- IWTF projects \$3 billion Waives cost-share requirement from IWTF
- Env'tl Infra \$500 million
- O&M - \$5 billion \$655 million shall be used to address emergency damages; funds cannot be used to carry out the National Levee Safety Program
- Regulatory - \$50 million
- FUSRAP - \$500 million
- FCCE - \$415 million Authorized shore protection projects shall be restored to full project profile at federal expense
- Expenses - \$50 million Oversee obligation and expenditure of amounts in this title (Title VI)

Tracking Funding and Execution

- a. Large supplemental bills always receive significant press coverage.
- b. Select legal websites (Koprince, Piliero & Mazza, etc.) do an excellent job of announcing initial details and ongoing updates.
- c. Law identifies level of funding. Executive Branch (OMB, ASA(CW), USACE Headquarters) determine what projects are funded and which USACE Divisions/District will be executing program.
- d. USACE District Sources. These large supplemental programs are typically awarded over several years.
- e. Private Organizations are a good source of information

Questions?



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