

**LRD and SPD Efforts to Improve CAP Execution
Planning CoP Webinar
March 1, 2018
Q&A Session**

The 1 March Planning CoP Webinar provided information on efforts across the country to improve execution of the Continuing Authorities Program (CAP) presented by Mr. Mike Saffran from LRD and Mr. Mark Bierman, SPD Regional CAP Production Center. Mr. Saffran shared an update on LRD efforts to apply the Corps risk analysis model to the LRD CAP Program and briefed on the LRD CAP Summit, which brought together the 12 Communities of Practice (CoPs) and Sub-CoPs involved in CAP implementation in LRD to develop a CAP risk management plan. Mr. Bierman shared information about the SPD Regional CAP Production Center and their lessons learned in CAP execution. The LRD portion provided insight on how to operationalize risk-informed decision making at a program or enterprise level, while the SPD portion gave webinar participants a look into how one MSC formed a dedicated CAP center to improve execution.

For more information:

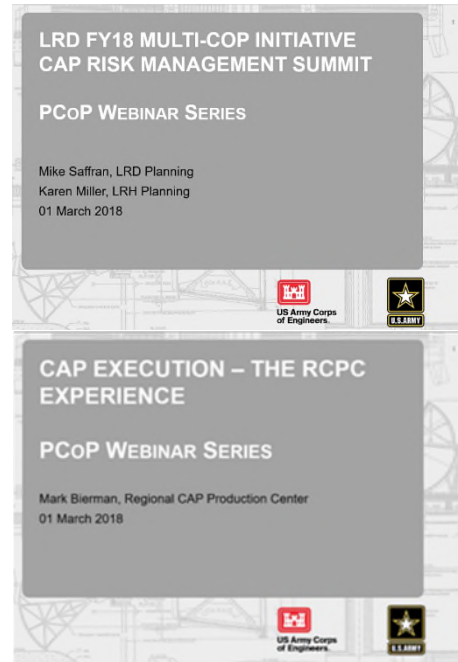
- *SPD Regional CAP Production Center Webpage:*
<http://www.spn.usace.army.mil/Missions/Projects-and-Programs/Continuing-Authorities-Program/>
- *LRD CAP risk assessment survey and results:*
https://team.usace.army.mil/sites/LRD/PDT/CAPSummit/Lists/cop_risk_assessment_survey/AllItems.aspx

This summary of the Question / Answer session of the webinar is not a transcription; questions and responses have been edited and reordered for clarity.

Tips for CAP Execution

Does anyone have ideas on how to identify policy and technical issues earlier in executing CAP projects?

Mark: One of the lessons learned I didn't talk about during the presentation is the value of planning charrettes. We just had one a month ago for one of our Section 103 studies [hurricane and coastal storm damage reduction]. If you do the prep work right and coordinate with your MSC and host the charrette with the right stakeholders, we've found it to be really useful and invaluable in jumpstarting your project and the study, and for identifying some of those sticky issues and overcoming them. If you have the MSC in the room listening to the issues, it's early enough in the process that you can start working on them together.



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Mike: I'd echo what Mark said. If you have it focused with the right people, you can get a lot done and actually go through an initial iteration of the planning process, which helps you to think ahead and identify those sticky policy and technical issues that might otherwise get overlooked. Having the right mix of vertical team members, stakeholders, and PDT members at the initial charrette is key to preventing issues you could have caught earlier from arising late in the study.

What is the top thing you wish the MSC (or districts) would do differently to help CAP execution?

Mike: From my perspective, it's a culture thing. Districts often do not view the MSC as part of the team or as working to advance project goals, so they are reluctant to be open and transparent, especially in acknowledging areas of uncertainty. From the approval of a Federal Interest Determination (FID) through submission of the final draft Detailed Project Report (DPR) for approval, the Districts and MSCs need to be cooperative and collaborative on projects at a much greater level than they currently are. Open and honest communication on both sides is critical to operationalizing risk-informed decision making and improving CAP execution.

CAP Timeframes

With the 3-year target set for GI studies, what is the desired length for completing the feasibility phase in a CAP project?

Mike: My understanding is that revisions to the Planning Guidance Notebook Appendix F will require between 12 and 18 months from execution of the Feasibility Cost Sharing Agreement (FSCA). That would be after you've completed the FID and developed a good scope and agreement with the federal sponsor, through final report approval.

Mark: The rule of thumb I tell the sponsors of new starts is about two years. We found the big uncertainty, beyond funding, is the FSCA process. The target identified by HQ is six months from FID approval to FSCA execution. That is definitely doable if the sponsor is ready, but it's been taking even longer for many of our projects, which is where our two years get stretched into two and a half. But I agree that 12 to 18 months from FSCA to final approval is doable.

Is there any talk about a waiver requirement for CAP studies that exceed the target timeframe? (From Article IV of the model CAP FSCA: "Furthermore, unless an extension is approved by the Assistant Secretary of the Army (Civil Works), the Study will be terminated if a [insert type of decision document involved, e.g., DPR] is not completed for the Study within 3 years after the effective date of this Agreement.")

Mark: In our experience in SPD, we haven't had a study terminated because we've gone beyond 3 years.

Mike: Within LRD, we have a set of schedule parameters – durations between each milestone which are flexible to account for the difference between different CAP authorities, with longer durations set for the more complicated 205s [Small Flood Risk Management Projects] and shorter durations for the Section 14s [Emergency Stream Bank and Shoreline Protection] needing to be treated as emergency projects. We say that if you can't meet those schedule goals and you know that up front, you should coordinate the rationale with the CAP Project Manager at LRD, mutually agree to a schedule, and meet your commitments.

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How many studies has the SPD Regional CAP Production Center done?

Mark: The short answer is we've completed 11 FIDs. We had three studies that were found to not have federal interest, so those were terminated. We have about eight PMPs (Project Management Plans) complete, two FSCAs signed, one DPR completed, and we're supporting construction for one project right now. Those two FSCAs are waiting for the full FY18 funding to continue progress, and we hope to have two more FSCAs signed in the next few months. With that, we should be able to be more or less fully funded as CAP as envisioned.

Funding for CAP Studies

What is the funding level trend for the CAP program?

Mike: I'm not sure – we have a program side of the house that generally takes care of all the numbers, so I'm not totally up on that. I do know that carry-in or carry-over is a very important problem relative to CAP and the amount of funding we receive in any given year. The message to us at the CAP summit from Headquarters was that we have to meet our commitments, and if we can't we need to very quickly make others aware that we can't get there and look for other opportunities for those funds to be gainfully expended. That's the primary focus, really trying to minimize carry-over.

Mark: I can add to that. New starts right now are hard to come by. Each authority kind of has its own story, and each year is different. For example, the Corps hasn't been getting to and through construction on many 205 projects recently, and funding availability seems to exceed the overall need. There are other authorities where funding is harder to get, and what is available is often spread across a couple of big construction projects. We've also been carrying over \$20-30 million a year and haven't been consistently good at getting to construction. The message we are hearing from HQ is that construction and completion of projects that are currently in feasibility is key to demonstrating that the Corps Districts can and will use CAP appropriations.

What have been the financial results trends after the improvements in terms of DMR (Directorate Management Review) status of CAP execution performance and milestone metrics in SPD?

Mark: There has been an improvement in SPD. I work closely with the SPD manager for CAP and it requires coordination – it's not all on the Production Center to do it because the Project Manager (PM) at the District should be loading that schedule and requesting the funds.

Have you contracted part of your work at the Regional Production Center in SPD?

Mark: We have not done that directly, but our sponsors have done some of that in feasibility. In theory, if we do not have the capacity in house, we are willing to contract work and SPD contracting has told us they're available to support the Regional Production Center.

How do you overcome the uncertainty associated with CAP new starts in discussions with potential sponsors?

Mark: We have to be honest about the process and what they can do about it and have them help us since they can talk to their congressional members and elected officials. The advice we've gotten from Headquarters is that one thing that will help with the availability of new starts is if there's more money in those pots. If there's more money in the 206 authority [Aquatic Ecosystem Restoration] nationally, there

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are more likely to be new starts. So that's what we've been communicating with potential sponsors: if you're interested and this is a priority for you, you need to do the heavy lifting on that side of things.

Mike: Be honest and straight-forward from the start. Prior to requesting \$50K to initiate a FID, the PM or study manager should discuss respective fiscal cycles and funding constraints. Acknowledge that approval of a FID does not guarantee funding in the next fiscal cycle, but that once a feasibility study is started, the federal funds are prioritized to complete the feasibility phase as scheduled. Also, during those initial discussions at the start of the study, relate that the same holds true for an approved feasibility report moving into implementation. The approval does not guarantee that federal implementation funds will be available at the start of the next fiscal cycle, but once started, available funds are prioritized to complete design and construction as efficiently as possible. Explain the competition for federal funds within and across the relevant authorities, and relate the kinds of obstacles continuing resolutions pose.