



DEPARTMENT OF THE ARMY  
U.S. ARMY CORPS OF ENGINEERS  
441 G STREET, NW  
WASHINGTON, DC 20314-1000

REPLY TO  
ATTENTION OF

CECW-CP

856 2012

MEMORANDUM FOR MAJOR SUBORDINATE COMMANDS

SUBJECT: U.S. Army Corps of Engineers Civil Works Feasibility Study Program Execution and Delivery

1. The Civil Works Program is undergoing a transformation initiative to better align our project development processes with national priorities to better address the water resources challenges and needs of the Nation. The Nation's aging infrastructure, increased demands, and limited funding compel us to assess our ability to deliver studies and projects that meet the Nation's needs. We must focus on the highest performing programs and projects within the main water resources missions of the Corps: commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration, as well as hydropower. This must be accomplished in concert with the creation of savings and efficiencies and elimination of duplicative and lower-priority programs.

2. Delivering quality products and services that appropriately address the Nation's water resources needs in a timely and cost-effective manner is vital. A rigorous review of our current Civil Works feasibility study portfolio and deliberate management of completion requirements will reinforce the implementation of the Civil Works transformation. By this memorandum, I am establishing a disciplined approach for reducing the current feasibility study portfolio and introducing an aggressive plan intended to improve feasibility study program management, performance, execution and delivery. This deliberate improvement approach applies to all planning studies. Although transforming the Civil Works program is a responsibility of the functional elements, the MSC Commanders have the ultimate responsibility and accountability for accomplishing the proposed improvements. It is our intent to provide high priority and to optimally fund those feasibility studies that meet the criteria laid out in paragraph 4a. of this memorandum.

3. The New Planning Paradigm - I fully support the concepts of the new Planning Paradigm introduced in January 2011 and intend to fully implement this new process in FY2014. The Planning Paradigm is focused on risk-based scoping to define pertinent water resources needs, opportunities, and the appropriate levels of detail for conducting investigations. Recommendations will be captured and succinctly documented and studies completed in a target goal of 18 months. The new process consists of five fundamental concepts that can be implemented in large part without modifications to guidance or legislation. These concepts are:

a. Uncertainty and Level of Detail. Balancing the level of uncertainty and risk with the level of detail of the study;

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- b. Vertical Team Integration. Ensure early vertical team engagement of decision makers, and as the study process progresses;
- c. Determine Federal Interest. Identify the Federal interest early in the study, including the level of Federal interest and level of Federal investment looking beyond National Economic Development (NED) and National Ecosystem Restoration (NER);
- d. Alternative Comparison and Selection. This concept recognizes that there is no single “best” plan, and there are a variety of approaches (quantitative and qualitative) to multi-criteria decision making, and
- e. Funding and Resourcing. Ensure that all resources needed for the study – funding, human resources, data and information – are identified and available for the duration of the study.

The National Pilot Program for feasibility studies is being conducted to develop sustainable and replicable processes and methodologies to improve planning practice. This spring we will begin to share lessons learned for application on all feasibility studies. A task force comprised of those that developed the original principles of the Paradigm and other members representing all Civil Works functional elements will convene in early March 2012 to develop and refine the concepts and methodologies for implementing the new Paradigm. An update of the January 2011 report entitled “Transforming the Current Pre-Authorization Study Process” will be distributed in April/May 2012 to better define the concepts and identify improved practices. The Planning CoP is developing a thorough and comprehensive training approach that will address transition and implementation to the new Paradigm by FY2014.

4. Reset and Reclassification of Feasibility Studies - We currently have a portfolio of 653 feasibility studies. In FY2011, the Corps initiated a significant effort aimed towards improving feasibility studies’ performance and execution. The purpose of the reclassification initiative was to review all ongoing, protracted feasibility studies and to reclassify those studies with limited likelihood of success to inactive, so that we focus funding on the most credible and viable projects for congressional authorization. Pending completion of reclassification, a reset initiative was to be performed on active feasibility studies to review study progress, likelihood of Federal interest, and study scope, to make a determination as to whether the study should continue as is, be re-scoped, or terminated. Though significant progress was made and 288 of 653 ongoing feasibility studies were identified as eligible to be reclassified as inactive, there still remain 365 active feasibility studies and 68 feasibility studies ongoing for greater than 10 years. Of the 68 feasibility studies, the MSC’s identified only 9 studies as eligible for review and rescoping. Our approach to this critical assessment of our current planning portfolio must be more aggressive

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and I am instituting a national target goal to reduce the 365 active feasibility studies by one third. In order to achieve this objective, each MSC must diligently review their respective active studies to identify those studies that should be terminated or placed in an inactive category in the following manner:

a. Each MSC will critically review the 59 studies that have been ongoing for greater than 10 years and were not identified to be reset, as well as all studies funded for greater than 5 years. All studies determined as eligible to proceed on their current course will be identified and a detailed justification as to why it should not be reset must be provided by 30 April 2012.

b. Studies that did not receive funding in FY2010, FY2011 and FY2012, or are not in the FY2013 President's Budget, should be identified as inactive unless the MSC can make a compelling case as to why it should not be inactive. This list shall be provided to HQUSACE by 30 April 2012.

c. Studies that have been completed should be financially closed out and removed from the active study role. Studies that have no viable sponsor, limited or no funding, and little likelihood of Federal interest should be terminated by 29 June 2012.

d. Each MSC must complete the reclassification of all identified inactive, terminated or completed feasibility studies and reprogram remaining funds to appropriate active feasibility studies by 29 June 2012, subject to current reprogramming law.

e. The MSC's will coordinate this effort through their appropriate RIT. The RIT's will work collaboratively with the PCoP, Programs, and Business Line Managers to review and reconcile results and to determine study priority. This prioritization will be presented to HQUSACE leadership for further assessment and approval.

5. Conduct of Ongoing Feasibility Studies - Section 2033(c) of the Water Resources Development Act of 2007 directs that the benchmark goal for feasibility study completion be within 2 years, or generally up to 4 years subject to the Chief determining that the additional time is required due to the project type, size, cost, or complexity. Assuming adequate and timely appropriation of funding, these requirements are consistent with the principles of the new Planning Paradigm and with our current Planning Guidance (Par 4-1a(2) of ER 1105-2-100) which states that typical feasibility studies should be completed in 18-36 months. Therefore, the following changes will be applied to all feasibility studies that have not reached a Feasibility Scoping Meeting (FSM) by 31 December 2011:

a. All feasibility studies will follow a 3x3x3 rule and will be completed in a target goal of 18 months but no more than three years; cost not greater than \$3M and a reasonable report size.

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Vertical team coordination will be utilized, as necessary, through completion of the study. Any feasibility study scoped for greater than 3 years completion or for more than \$3 million will require my approval before such feasibility study is commenced after undergoing a Senior Leader's panel review. My expectation is that this case will be rare. Any cost or schedule growth of feasibility studies beyond the \$3 million and 3 years must be approved by the DCG-CEO.

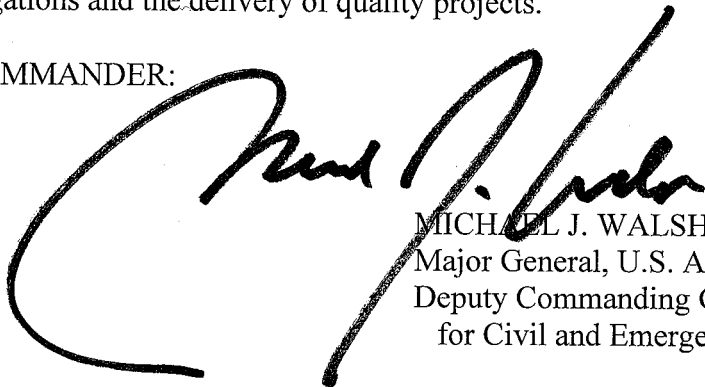
i. All studies that meet the above criteria or those that are scheduled to be completed in FY2012 will continue to scheduled completion.

ii. Studies that have exceeded or are scoped and scheduled to exceed the 3x3x3 rule will be re-scoped utilizing rigorous management controls and the principles of the new Planning Paradigm to support efficient completion of the study in 18 months to 3 years. Re-scoping will be a coordinated effort among the three levels of the vertical team, however Districts and Divisions will ultimately be responsible for proper scoping of the studies. Requests for relief from this requirement will be based on project type, size, cost, or complexity and requires a senior leader panel review and approval by the DCG-CEO.

b. The target for length of the main report for feasibility studies will be 100 pages or less. The environmental document should conform to guidance in ER 200-2-2. The entire feasibility report and appendices shall not exceed 1- three inch binder. This requirement does not preclude proper scoping, risk assessment and compliance with laws, regulations and policy guidance.

6. I am honored to be the DCG-CEO during this challenging yet exciting era in Civil Works history. I am holding my Civil Works senior leaders accountable to support the implementation of this significant paradigm shift and expect the MSC Commanders and staff to also be accountable for the changes, performance, and delivery needed as stated in this memorandum. Further, MSC Commanders will keep me apprised of their progress on performance and execution improvements at regularly scheduled HQUSACE PRB's and DMR's. I am looking forward to your responsiveness and commitment to keeping the Civil Works Program focused on viable investigations and the delivery of quality projects.

FOR THE COMMANDER:



MICHAEL J. WALSH  
Major General, U.S. Army  
Deputy Commanding General  
for Civil and Emergency Operations

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