# Warwick Group CONSULTANTS

# What You Need to Know About the Infrastructure Package



By Dan Ginolfi

Nov. 9<sup>th</sup>, 2021

# Record Breaking FY22 Appropriations for the Corps of Engineers & How to Grab Your Piece of the Pie

If you had to develop a plan this year to spend \$25 billion dollars, could you do it? Where would you start?

The infrastructure package in Congress that has been making headlines for months has finally passed. That means tremendous opportunities for you, your community, your beaches, and other coastal water resources initiatives.

The bill provides over \$17 billion for the Corps of Engineers, in addition to another nearly \$8 billion that is expected in the Corps' annual funding bill. To spend all this money, the Corps and your congressional delegation need help identifying and prioritizing where to spend it. Congress has requested that the Corps develop a spending plan within 60 days. While not all of the specific projects will be named at that time, that's a huge responsibility to accomplish in just 60 days. The Corps can only put a project into its spending plan after receiving a request in writing from local or state officials.

Everyone wants a piece of the pie, and one of the best ways to ensure that *you* get a slice is to work with an experienced consultant who understands the process and likelihood of getting a new federal study or construction project through the Corps of Engineers. An experienced consultant knows how to properly word a letter request, talk to the right people in charge of evaluating your request, and escort your request through the process to the highest-level decision makers to make sure it competes against other projects as well as it can. Along the way, the support of your local elected officials, state representatives, and federal delegation will prove invaluable.

Finally, when you do get the authorization or funding that you're looking for, there will inevitably be some wrinkles to iron out with the Corps or other federal agencies. These simple challenges often become major hurdles that, without knowledge and experience from prior project examples, can entirely upend a project. We've seen it happen far too often from the outside - We don't let that happen to our clients.

With over 40 years of experience working with federal agencies, Congress and the Executive Branch on coastal water resources and beach projects, Warwick Group brings the resources, trust, and focus necessary to accelerate the delivery of your project. As you determine what your specific needs are, consider talking to a staff member at Warwick Group. In the meantime, below are the various sources of funding that you might be looking towards to fund the project you have in mind.



Nov. 9th, 2021

## What You Need to Know About the Infrastructure Package

To put things in perspective, the Corps typically receives \$6-7 billion in an annual appropriations bill. This package alone is well over \$17 billion in total. We've only ever seen more than that in disaster supplemental bills. Will this years' appropriations overload the Corps? We aren't sure yet, but fortunately much of the money comes with an 'available until expended clause,' meaning it doesn't necessarily have to be spent this year or even next. Finally, for those who are concerned with the use of benefit-cost ratio (BCR) in determining which projects get funded, Congress encourages that for projects carried out with funds under this heading, the Secretary of the Army and the Director of the Office of Management and Budget shall consider other factors (such as social and environmental considerations) in addition to the benefit-cost ratio when determining the national economic benefits of projects that benefit disadvantaged communities.

### **Corps of Engineers**

<u>Work Plan:</u> The Chief of Engineers is required to submit a spending plan for these funds not later than 60 days after the enactment of this bill (Thursday, January 25, 2022).

#### **Investigations:**

Total: \$180,000,000

- \$30,000,000 for Planning Assistance to States program
- \$45,000,000 for Flood Plain Management Services
- \$75,000,000 for pilot programs to protect rural communities and economically disadvantaged communities from hurricanes and flooding
- \$30,000,000 for implementing studies authorized by WRDA 2020

#### **Construction:**

Total figure: \$11,615,000,000. More than the Corps has ever received in any annual appropriations bill - This looks, smells, and spends like a disaster supplemental.

- \$1,500,000,000 for major rehabilitation, construction and other related activities for rivers and harbors (\$250,000,000 for remote and subsistence harbors)
- \$200,000,000 for stormwater and other water-related environmental infrastructure
- \$2,500,000,000 for the construction, replacement, and rehabilitation of inland waterways

- \$465,000,000 for protection of highways, bridge approaches, public works, and nonprofit public services
- \$115,000,000 for aquatic ecosystem restoration (CAP 206)
- \$1,900,000,000 for aquatic ecosystem restoration projects, of which not less than \$1,000,000,000 shall be for multi-purpose projects or multi-purpose programs that include aquatic ecosystem restoration as a purpose
- \$2,550,000,000 for coastal storm risk management, hurricane and storm damage reduction projects and related activities targeting States that have been impacted by federally declared disasters over the last six years of which \$200,000,000 shall be for shore protection projects
- \$2,500,000,000 for inland flood risk management projects, of which not less than \$750,000,000 shall be for multi-purpose projects or multipurpose programs that include flood risk management as a purpose

#### **Mississippi Rivers and Tributaries:**

Total \$808,000,000

• \$258,000,000 to be obligated within 90 days for necessary expenses to address emergency situations at Corps projects caused by natural disasters

#### **Operations and Maintenance:**

Total figure \$4,000,000,000

• \$626,000,000 of which shall be obligated within 90 days of enactment of this Act, for necessary expenses to dredge federal navigation projects in response to, and repair damages to Corps of Engineers federal projects caused by natural disasters

#### **Flood Control and Coastal Emergencies**

\$251,000,000, to remain available until expended: Provided that funding provided under this
heading in this Act and utilized for authorized shore protection projects shall restore such projects
to the full project profile at full federal expense (!!!)

#### **WIFIA Program**

• \$75,000,000, of which \$64,000,000 shall be used for the cost of direct loans and for the cost of guaranteed loans, for safety projects to maintain, upgrade, and repair dams identified in the National Inventory of Dams with a primary owner type of state, local government, public utility, or private

Note: The following are non-Corps funding allocations and provisions that are equally important to coastal resilience and healthy coastal and aquatic ecosystems.

#### **NOAA**

- \$492,000,000 for National Oceans and Coastal Security Fund grants
- \$491,000,000 for contracts, grants, and cooperative agreements to provide funding and technical
  assistance for purposes of restoring marine, estuarine, coastal, or Great Lakes ecosystem habitat,
  or constructing or protecting ecological features that protect coastal communities from flooding
  or coastal storms
- \$492,000,000 for coastal and inland flood and inundation mapping and forecasting, and nextgeneration water modeling activities, including modernized precipitation frequency and probable maximum studies
- \$207,000,000 for habitat restoration projects pursuant to section 310 of the Coastal Zone Management Act
- \$100,000,000 for supporting improved and enhanced coastal, ocean, and Great Lakes observing systems
- \$56,000,000 for established Regional Ocean Partnerships (ROPs) to coordinate the interstate and intertribal management of ocean and coastal resources and to implement their priority actions, including to enhance associated sharing and integration of federal and non-federal data by ROPs, or their equivalent

#### **FEMA**

Over \$500 million for Stafford Act (Section 205) disaster assistance (parceled out over the next 5 years), \$1 billion by cybersecurity grants to states, local governments and tribes, and \$1 billion for the Disaster Relief Fund under Section 203 of the Stafford Act. Also, NFIP gets \$3.5 billion total over the next 5 years to come from the US Treasury as opposed to any policy premiums.

#### **PROTECT Program**

- There is to be over \$140,000,000 in grant funding provided for at-risk coastal infrastructure over the next 5-years through the Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) program. This includes evacuation routes that exist in areas that that have a disaster declaration made by either a governor or the President, tide gates that protect access roads and other natural infrastructure that protects and enhances surface transportation assets while improving ecosystem conditions. \$25,000,000 is to be made available in 2022.
- Infrastructure that addresses the risks from weather events or natural disasters, including coastal
  flooding, coastal erosion, wave action, storm surge or sea level rise, or reduces long-term
  infrastructure costs by avoiding larger future maintenance or rebuilding costs are all eligible
  activities.
- The legislation also considers projects that provide access to coastal homes, businesses and communities and other critical infrastructure, including access by first responders and other emergency personnel, or access to an evacuation route.

#### **National Highway Performance Program**

Provide support for activities to increase the resiliency of the National Highway System to mitigate
the cost of damages from sea level rise, extreme weather events, flooding, or other natural
disasters.

At this point, you're probably wondering how all this money is going to be spent. We can assure you the confusion persists to the Corps HQ and the Office of the Assistant Secretary of the Army for Civil Works levels. Remember that the Corps cannot initiate a project without a request from a local elected official. So, if you have a project in mind to get started, get in line for some of the pie - Because in America, the pie gets eaten quickly.

#### **Contact:**

Dan Ginolfi
Senior Public Policy Advisor
Warwick Group Consultants, LLC
5425 Wisconsin Avenue, Suite 600
Chevy Chase, MD 20815
Dan.ginolfi@warwickconsultants.net
(202) 787-5770