

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS FOR 2026

HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED NINETEENTH CONGRESS FIRST SESSION

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Oversight Hearing—State of the Civil Works Program

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ENERGY AND WATER DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS FOR 2026

TUESDAY, FEBRUARY 25, 2025.

OVERSIGHT HEARING—STATE OF THE CIVIL WORKS PROGRAM

WITNESSES

**LIEUTENANT GENERAL WILLIAM H. "BUTCH" GRAHAM JR., CHIEF OF
ENGINEERS AND COMMANDING GENERAL, U.S. ARMY CORPS OF EN-
GINEERS**

**MAJOR GENERAL MARK C. QUANDER, COMMANDING GENERAL,
GREAT LAKES AND OHIO RIVER DIVISION, U.S. ARMY CORPS OF EN-
GINEERS**

**BRIGADIER GENERAL DANIEL HIBNER, COMMANDING GENERAL,
SOUTH ATLANTIC DIVISION, U.S. ARMY CORPS OF ENGINEERS**

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SION, U.S. ARMY CORPS OF ENGINEERS**

**COLONEL GEORGE H. WALTER, COMMANDER, SOUTHWESTERN DIVI-
SION, U.S. ARMY CORPS OF ENGINEERS**

Mr. FLEISCHMANN. Good morning. The hearing will come to order.

It is my pleasure today to welcome Lieutenant General Butch Graham, the chief of engineers and commanding general of the United States Army Corps of Engineers to discuss the state of the Civil Works program.

Joining General Graham are Major General Mark C. Quander, commanding general of the Great Lakes and Ohio River Division; Brigadier General Daniel Hibner, commanding general of the South Atlantic Division; Colonel James J. Handura, commander of the South Pacific Division; and Colonel George H. Walter, commander of the Southwestern Division. These division commanders have made themselves available to address project execution from a local and regional perspective.

Before I talk about my formal remarks, gentlemen, I want to thank each and every one of you all for what you do for our country, not only for the Army Corps of Engineers, our great United States Army, and service to our great Nation. It is with profound thanks that we do this hearing today.

And, as chairman of this subcommittee and I would say our full committee—my dear friend, Marcy Kaptur from Ohio, would probably agree with me—we are civil. We are cordial. When there are differences, we understand that. But it is with the utmost respect

that we have you before us here today, and I say that as chairman of this full subcommittee.

Gentlemen, few Federal programs have such a direct and immediate impact on the American people's daily lives as the Army Corps of Engineers Civil Works program. The mission underpins America's economic competitiveness, promotes public safety, and protects trillions of dollars in private investment and economic activity. Congress expects the Corps to address some of the Nation's most complex and high-profile challenges, and the Corps does tremendous work to deliver on this critical mission.

The Corps also faces many challenges inherent to government contracting. We would all prefer to see Federal construction projects delivered at the cost and speed of the private sector. However, patterns have emerged in recent years that go beyond the regular course of business. I continue to hear from my colleagues and stakeholders about projects of all sizes, in different parts of the country, and with little else in common, all facing similar issues and fact patterns.

The Chickamauga Lock in my district, the great Third District of Tennessee, has experienced many of these same challenges, which we will have time to discuss later in the hearing.

Congress has provided record funding for the Corps in annual energy and water appropriations acts and tens of billions more in supplemental appropriations over much of the last decade. We have funded several major construction projects to completion, some multiple times, only for the Corps to tell us they need more.

Projects are derailed due to inadequate engineering, requiring the Corps to go back to the drawing board in the middle of construction. The Corps has all but abandoned design and engineering when studying projects to recommend for construction, leading chiefs of engineers to certify cost estimates and project plans based on concepts, not designs. We are building the plane while we are flying it.

Meanwhile, we have heard from many Corps stakeholders about the need to modernize the Corps' contracting process. Private industry would never procure complex infrastructure projects in the same way. Contracting improvements alone can reduce uncertainty, improve affordability, and enhance engineering quality earlier in the life of a project.

Many projects sponsors feel they have no choice but to plead with our friends on the authorizing committees for the Federal Government to foot larger shares of these much larger bills. I don't blame anyone who comes to that conclusion. But every time that cycle repeats, the choices facing this subcommittee become more difficult, worsening the outlook for every project in America.

The Corps executes a no-fail mission, and there is always more to be done. We need to finish what we start so that we can deliver for our constituents, and achieving those goals requires the Corps to define success and measure progress.

General Graham, sir, you are new in this role, and you certainly have your work cut out for you. I greatly appreciate the attention that you have already given to these issues and the vision you laid out in your written testimony. I look forward to today's discussion

and working with you, sir, to promote a healthy and sustainable Civil Works program for the American people.

I will now turn to my friend and ranking member, Ms. Kaptur, for her opening statement.

Ms. KAPTUR. Thank you, Mr. Chairman. It is such a great turn-out this morning on both sides of the aisle here. This is a wonderful committee, and I am just thankful everyone is here, including our honored guests, the Corps of Engineers Civil Works program.

And I want to thank you and all those who work under your command for your dedication to the civil works of our country going back to close to our founding. There aren't too many organizations that can say that. And the American people thank you for your service, not just here in our country, but many times called upon around the world, as was my uncle who served in the Engineers Corps during World War II at the Battle of the Bulge.

I want to thank my friend and colleague, Chair Fleischmann, for holding this hearing. While Congress is about a half a year late already and has still not finished our jobs for the fiscal year 2025—it should have been done October, November, December, January, February, moving into March. Half a year late. Not our fault. Not our fault. We show up. I hope that if we were left to our own, we could find bipartisan compromise, and I hope those ultimately in charge in this institution will soon find a bipartisan solution to keep the government open next month and for the remainder of this fiscal year 2025. And I know how difficult that makes your lives. Thank you for your endurance.

The Corps of Engineers plays a critical role in developing the resources of our land and generating enough power for 11 million homes every year. I figured out last night—I guess that is at least 10 percent of our country. I figured 33 million people—I don't have the exact number, but that is pretty impressive, and we hope in the future you will be able to do more.

The Corps builds America for generations to come, strengthening our economy and sustaining life on our corner of Mother Earth, ensuring public safety against the now constant onslaught of both natural and human-caused disasters across our country.

In 2024, there were 27 confirmed major weather and climate disaster events with losses for each exceeding a billion dollars. These included droughts, flooding, severe storms and wildfires, and the cost totaled over \$182 billion just for last year, the fourth costliest year on record. We can all see our property insurance bills rising. The people I represent know it. And the Corps knows why. You need a bigger microphone to explain to the country what is really happening.

I can attest that, in 2023, in our Great Lakes region, adjoining the Canadian border, when I arrived home, I experienced the smoky fall that had never happened before. It was so eerie, the smoke from wildfires burning way further up north in Canada. We weren't anywhere near California. And the air was so hazy that my entire garden—which I pride myself on—was covered with brownish, black soot by the next morning. It was just eerie. And my poor rhododendron didn't bear that year, and I hope this year she will come back. But that had never happened in our region.

Just thinking about addressing the outcomes of the Palisades and Eaton fires in Los Angeles overwhelms a casual observer, and we thank you for your assistance in helping those who have been so impacted.

It is undeniable that we are witnessing growing weather events stemming from climate change occurring in real time before our very eyes. The U.S. Army Corps of Engineers is needed now more than ever to devise modern approaches to changing freshwater cycles, whether it is down the Mississippi, in the Great Lakes, or the arid West.

With an increasingly volatile climate, the Corps must plan and implement solutions to make our communities more resilient. Investments in the critical water infrastructure of our Nation allow the Corps to focus on your significant missions across our country, keeping commerce safely flowing on our waterways—and what is happening along the Mississippi, we hope you can tell us a little more about that today—managing flood risks through dams, levies, and shoreline protection, restoring ecosystems, and building local, clean water, and drinking water infrastructure. I hope you can get more into that today and in the future.

There is no doubt that every Member of Congress is impacted by your work, and there is bipartisan support in this Congress for your work because you have been so successful. However, the Corps has faced numerous challenges in engineering and design, schedule delays, cost overruns, and contractor performance—most of which isn't your fault—that correlate with these massive weather events, workforce shortages, and supply backups.

In the Great Lakes region—which I know best—projects like the Soo Locks are a prime example of investments that will turbocharge our economy. They will assure the modernization and efficiency of our maritime transportation system, but the project has experienced time delays and very significant cost escalations. Enlightening our subcommittee on why this is occurring will be appreciated.

Similarly, the Brandon Road project is aimed at arresting the economic and environmental damage unleashed by this creature called the invasive Asian carp that, if not checked, will exterminate the \$7-billion native fishery that is Lake Erie. More fish in Lake Erie than all the other Great Lakes combined, and, of course, Lake Erie and all the related Great Lakes have the longest coastline in the Nation. It is over 2,600 miles.

However, this particular Brandon Road project is another example of one burdened with cost increases and delays. The Great Lakes and Mississippi ecosystems are drastically different, and I remain very concerned that the Great Lakes Fishery faces daunting challenges with the Brandon Road investments, what the governor of Illinois has just done, and that we may be heading into a period where—there were proposals to shut off the confluence of the Mississippi and the Great Lakes waterways. I am very troubled with the solution that was finally arrived on and whether it will be successful in meeting this really terrible challenge.

The Corps is fully aware that it must address project execution challenges. Our constituents depend on the successful completion of

these projects, and the additional costs are ultimately paid by the taxpayers.

Again, I want to thank the witnesses for being here along with all of our dear members to discuss how the Corps is learning lessons from these challenges and trying to implement new solutions across the country. With that, I will close my remarks, and I look forward to the discussion. Thank you all.

Mr. FLEISCHMANN. I thank the distinguished ranking chair for her remarks.

And I thank you, our witnesses, for being here today.

Please ensure that the hearing record, questions for the record, and any supporting information requested by the subcommittee are delivered, please, in final form to us no later than 4 weeks from the time that you receive them. Members who have additional questions for the record will have until the close of business Friday to provide them to the subcommittee office.

Without objection, your full written testimony will be entered into the record. With that in mind, we would ask that you please summarize your opening statement in 5 minutes.

General Graham, you are now recognized, sir, for your opening statement.

STATEMENT OF LIEUTENANT GENERAL WILLIAM H. "BUTCH" GRAHAM JR., CHIEF OF ENGINEERS AND COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

General GRAHAM. Chairman Fleischmann, Ranking Member Kaptur, and members of the subcommittee, thank you for the opportunity to discuss the Civil Works program.

Major General Kelly, our deputy for civil and emergency operations, was supposed to testify here today, but he is in Los Angeles leading our wildfire debris removal mission that we are executing under FEMA.

The President's intent was clear: Move fast to help people. Currently, we are about a month ahead of what our original schedule was. We have 115 crews actively removing fire debris from private residences and are adding more crews as homeowners provide rights of entry. We will continue to add resources as required until all the fire debris is safely and swiftly removed. Thank you, again, for letting me be here instead of General Kelly.

Through the Civil Works program, the Corps works with State, Tribal, and local agencies to study, build, and operate water resource projects.

Breaking the program down into its components, the navigation program, as we heard this morning, underpins the entire national economy, ensuring that commodities can move reliably and efficiently along 12,000 miles of inland waterway, 13,000 miles of inner coastal waterway, and into 1,000 coastal, Great Lakes, and inland harbors. Ninety eight percent of overseas trade and 48 percent of consumer goods moves through these ports.

The Corps' flood risk management program maintains 746 dams and 13,000 miles of Federal levies that prevent an astounding \$200 billion of damages every year.

The Corps' recreation program—not to be forgotten—includes more than 400 lakes and river projects which provide recreational opportunities to millions.

These are important programs that the Nation has entrusted to the Army Corps. Our objective every day is to safely deliver quality projects on schedule within budget. We have been working hard over the last 5 years to leverage these new business intelligence tools to measure how we are meeting this objective. Our current on-schedule rate across our entire portfolio is 73 percent. That is a C, and that is unacceptable.

When we look into our costs and schedule shortfalls, we put the drivers into two categories: Uncontrollable and controllable factors.

Uncontrollable factors include inflation and labor shortages. According to the Associated General Contractors, construction inflation over the last 5 years is around 34 percent. Labor, particularly for skilled trades, is tight, leading to wage growth of 25 percent. Construction materials and diesel fuel have increased 38 percent and 58 percent respectively.

As you would expect, we put most of our effort into those things that we can control. We have grouped these into three main areas: Get the engineering right, get the project management right, and get the business right.

Getting the engineering right. Our cost estimates must be based on sufficiently mature engineering designs, at least 35 percent. As you will hear today, we have allowed projects to be authorized with the engineering well, well below that 35 percent threshold. In these instances, it wasn't so much that the costs have increased; rather, it was that our initial estimates were way, way too optimistic. My pledge to this committee is that I will only sign chief's reports when I am convinced that we have got the engineering right with sufficient majority.

Our second controllable focus area is get the project management right. We must improve our ability to stay in control of our projects by setting realistic schedules. There is a very insightful GAO report that captures the prevalence of optimism bias across most Federal contracting. To combat this bias, we have instituted monthly reviews at the division headquarters level to monitor the quality of our schedules.

Our third controllable focus area is get the business right. Here, our intent is to improve scheduled performance by properly resourcing the work with the right manning levels or by contracting the work out with the right acquisition strategies. Get the engineering right, get the project management right, get the business right.

Thank you, again, for inviting us here today. I believe that if we stay focused on those three fundamentals, we will deliver the outputs we all seek. Thank you.

[The information follows:]

**DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS**

COMPLETE STATEMENT OF

**LIEUTENANT GENERAL WILLIAM H. "BUTCH" GRAHAM, JR.
CHIEF OF ENGINEERS**

BEFORE

**HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT**

ON

STATE OF THE CIVIL WORKS PROGRAM

FEBRUARY 25, 2025

Chairman Fleischmann, Ranking Member Kaptur, and Members of the Subcommittee. Thank you for the opportunity to provide testimony on the Army Civil Works program as part of this oversight hearing titled "State of the Civil Works Program."

CIVIL WORKS PROGRAM OVERVIEW

Through the Civil Works program, the U.S. Army Corps of Engineers (Corps) works with other Federal, state, Tribal, and local agencies, as well as other entities, to develop, manage, restore, and protect water resources, primarily through the study, construction, and operation and maintenance of water-related infrastructure projects. The Corps focuses on work that provides the highest economic or environmental returns to the Nation or address a significant risk to public safety. The Corps also regulates development in waters of the United States and works with other Federal agencies to help communities respond to, and recover from, floods and other natural disasters. The Corps uses its engineering expertise and its relationships with project sponsors and stakeholders to address some of the most pressing water resources challenges facing the Nation.

The Corps is involved in studies of water resources challenges and opportunities across the country and in the construction of projects based on those studies. Currently, the Corps is actively working on nearly 100 ongoing feasibility studies and general reevaluation reports. The Corps also is managing dozens of ongoing construction projects across the country.

Through its commercial navigation program, the Corps facilitates the safe and reliable movement of cargo through 237 lock chambers at 192 sites and over 12,000 miles of inland and 13,000 miles of coastal waterways. There are over 1,000 authorized Corps coastal, Great Lakes, and inland ports in 45 states and territories. A significant majority of the goods entering the United States moves through Corps-maintained coastal ports, including 98% of overseas trade, 70% of imported oil, and 48% of consumer goods bought by Americans. The Corps flood risk management program maintains 746 dams and 4,000 miles of levees to help communities reduce their flood risks. At more than 400 reservoirs, the Corps provides recreational opportunities to millions of visitors each year. The Corps is the largest owner-operator of hydro-electric power plants in the United States, with 75 plants producing approximately 25% of the Nation's total hydropower output.

CHALLENGES

Over many years, the Corps has experienced significant project cost growth across multiple projects in the Civil Works portfolio, driven by a combination of internal and external factors. Projects often span multiple fiscal years, during which cost estimates may become outdated, and project designs may require revision. As a result, previously anticipated project costs can increase significantly. The inherent complexity of large-scale infrastructure projects, evolving market conditions, and other factors continue to pose challenges. Gaps in early project design maturity and feasibility-level engineering

have required significant changes to our cost estimates in many cases, and supply chain disruptions, workforce shortages, and inflation have also contributed to escalate costs beyond our initial projections.

In many cases, the difficulties that we face in developing an initial reliable cost estimate reflect insufficient design maturity at the feasibility phase. When the Corps shortened the study phase of our process, we sometimes deferred critical engineering analyses — such as geotechnical data collection, site surveys, and hydrology and hydraulics (H&H) modeling — to the pre-construction engineering and design, and to the construction stages. This deferral can lead to unforeseen changes in project scope and costs.

Evolving market conditions also affect the Corps' ability to complete its projects within its cost estimates. To address this concern, the Corps works with industry associations through formal and informal engagements to better understand market trends, and occasionally executes studies to obtain objective data. Observed trends in skilled labor shortages, material price volatility, and escalating project costs due to economic uncertainties have established clear correlations to observed project cost growth.

A recent observed trend in limited contractor participation in the bidding process has contributed to escalated bid prices. As project size increases, contractor availability shrinks significantly, with only 25 firms nationwide capable of bonding for large-scale projects over \$500 million.

In addition, real estate acquisition and environmental compliance can lead to substantial delays and cost escalations. For many projects, securing necessary land rights can be a complex and time-consuming process, particularly when projects require acquisition from multiple landowners, involve relocations, or affect properties with legal encumbrances. Non-federal sponsors' ability to acquire Lands, Easements, Rights-of-Way, Relocations, and Disposal Areas in a timely manner is critical, yet can be constrained by legal, financial, or administrative hurdles. Additionally, projects requiring coordination with Tribal Nations, state agencies, or private entities face further complexities in negotiating easements and resolving jurisdictional concerns.

Environmental compliance, including coordination under the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and Clean Water Act, can also extend timelines, particularly when projects require extensive mitigation efforts or involve sensitive ecosystems. Unanticipated findings during environmental review, such as the discovery of protected species or the difficulty of identifying suitable habitat for restoration, must be resolved before construction can proceed.

STRATEGIES TO IMPROVE PROJECT DELIVERY

Recognizing these challenges, the Corps has implemented several strategies to enhance project delivery efficiency and cost predictability. By strengthening preconstruction engineering and design (PED) requirements and using risk management principles, the Corps is working to improve cost and schedule accuracy.

Increased industry engagement, including early contractor involvement and market research initiatives, is helping to align expectations and ensure more competitive bids.

A sustainable Civil Works program requires effective project delivery methods, and strong partnerships with federal, state, Tribal, and local stakeholders. By refining acquisition strategies, enhancing early-stage project development, and proactively managing risks, the Corps is working to ensure that its infrastructure investments will continue to provide net benefits to the Nation at a reasonable cost.

Thank you for the opportunity to testify, and I look forward to addressing questions from the subcommittee.

Mr. FLEISCHMANN. I want to thank you, General Graham. We will now begin with questions, sir, starting with my own.

General, I have always maintained a positive working relationship with the chief of engineers and the district and division commanders. My goal has remained the same, and we must finish Chickamauga Lock. For fiscal year 2023, sir, we thought we were \$39 million away from completing the project. In fiscal year 2025 and \$237 million later, we cannot award the completion contract and are expecting another significant cost increase.

General Graham, I appreciate your focus on getting the fundamental building blocks right to avoid these kinds of issues in the future. This work is not glamorous, but these details make all the difference. However, if we do not define the goals clearly and measure progress toward them, we cannot expect different results.

My first question, sir, is what will be different in 3 years if you have been successful in putting the Civil Works program on a path to stability and cost and schedule efficiency, sir?

General GRAHAM. Chairman Fleischmann, what we will see is we are delivering on our commitments. The first step is to—let's make good commitments at the very beginning. As I mentioned in my opening statement, all of that is predicated on getting the engineering right.

There is a great book that is out by a Dutch economist. He is a professor at Oxford. It is called "How Big Things Get Done," and most of us are reading it. And in there, one of its main premises are go slow to go fast. And by that, it is take the time necessary during the feasibility stage to make sure that you have thought through the engineering and that you have got all the stakeholders on board.

We failed that at Chickamauga. Worse, we had a poor contractor. We are doing our best to work with that contractor to pull that contract across the finish line. But 3 years from now, I expect that our on-time percentage—as I mentioned, it is 73 percent right now—to be well above 80 percent.

The last point, sir, is that that look is—when I take a look at our on-time percentage rate, that is a leading look as much as it is a look in the rearview mirror. So we are looking at the commitments we are making today and seeing are we on track for those commitments we have made in the future.

Mr. FLEISCHMANN. Yes, sir. I have two follow-up questions, sir, and you may have already answered that in this. So, if you would like to expand on that or supplement it in the two follow-up questions, sir.

What quantitative metrics have you put in place to measure success and apply lessons learned to future studies and projects? And then when the next change of command arrives and you are assessing your tenure as chief of engineers, sir, what metrics will you judge your own effectiveness?

General GRAHAM. It is as simple as are we safely delivering quality projects on schedule within budget, and it can be a \$3-billion lock and dam up at Soo. It can be a small wastewater infrastructure project somewhere in Tennessee. All of those are important to someone.

So I often get asked, Chairman, are you going to prioritize the work you are doing? Absolutely not. We are project-funded, which means we can expand and contract as we are authorized and appropriated to do the work. And so when we sign up to deliver, that is our commitment to you.

Mr. FLEISCHMANN. Thank you, sir. I realize I have a little bit of time left, but we have such a very robust dais, which I am very fortunate for, sir.

So, at this time, I am going to recognize our distinguished ranking member for 5 minutes for questions, Ms. Kaptur.

Ms. KAPTUR. Thank you, Mr. Chairman.

General, through funding that Congress provided last year, the Corps allocated \$10 million to the city of Toledo to initiate and complete construction to rehabilitate raw water means and water supply. Our water was cut off for 3 days back in 2014, and there are issues when our water draw in Toledo is only 20 feet below the surface, and when the wind blows east to Buffalo, we face the risk of not having water.

General Quander, thank you for working with us to try to fund the critical work for Toledo. Do you commit to execute this project and these funds expeditiously?

General QUANDER. Ranking Member Kaptur, thank you for that question.

And for that Section 594 program for the city of Toledo, we are absolutely committed to partnering with them. They have been a great partner, and just talking to the district, we expect them to sign a letter of intent here pretty soon.

Ms. KAPTUR. Thank you.

General Graham, the Corps has often struggled to execute environmental infrastructure projects in a timely manner. What is the Corps doing to improve its efficiency in implementing environmental infrastructure across the country?

General GRAHAM. Ranking Member Kaptur, as was mentioned earlier, all projects are important, whether they are a small environmental infrastructure project or a huge lock and dam project. And so the districts must, must make sure that the project delivery teams on all those projects are capable of doing the work assigned.

Ms. KAPTUR. We know in other programs not under your jurisdiction—like nuclear submarines—we are going to be spending an additional 2 billion-plus in order to meet the delivery, but the problem there is people who can actually do the work properly and shortages in the industrial base itself.

As you look at your organization, do you face the same shortages? And could you be more specific about which competencies you lack and—human competencies—and then on the capability side, what in the industrial base is not serving you well?

General GRAHAM. Ma'am, let me start with the industrial base.

We know that our pool of large contractors that can do a \$3-billion project like up at the Soo—that that has shrunk over the years. And similar, too, when I look at the military side of the Army, the industrial base over there has shrunk as well.

So we are working to ensure that we are maximizing the competition and our ability to leverage our small business program to continue to assist small businesses growing into large businesses.

That is one of the goals that we have to increase capacity of our contracting base.

On the Corps internal side, you get good at something by having reps and sets. So, if a district is only going to do a certain project once every 5 years, we are going to consolidate that work so that the team that is doing it does it more often. A good example for this, ma'am, is our locks and dams right now. We have got one design center that we have gone to, and they are doing all of the design across the Nation. And we are going down to two production centers, one in Rock Island and one in Pittsburgh, and they will do all the production.

Ms. KAPTUR. Okay. I am going to just move to Brandon Road really quickly in my time.

We fought intensively to prevent the spread of the Asian carp into the Great Lakes, and we are not through this problem yet. You know what its aim is.

I was going to ask General Graham. This project has struggled with delays due to negotiating the necessary agreements among the Corps and multiple nonfederal sponsors. How are you providing transparency and certainty to the nonfederal sponsors that the Corps will meet its obligations?

And then, General Graham, I am going to ask you. This project was estimated to cost \$830 million in 2021. After additional engineering work was done, the cost estimate now is 1.1 billion. How is the Corps improving its initial cost estimating, and will it be able to—what are you now projecting for this project?

General Graham, yes. Okay. Yes.

General GRAHAM. Ma'am, I will take that.

Ms. KAPTUR. Okay.

General GRAHAM. Ensuring that the engineering is a sufficient majority, that is the Rosetta Stone for all of this.

For Brandon Road in particular, with the various States and nonfederal sponsors engaged, it is making sure that we have got alignment, that this project meets their needs. I know there are some challenges right now, but we are absolutely committed to continuing to work with our nonfederal sponsors to meet those challenges.

On the engineering, we talked about the uncontrollable factors, particularly the inflation and the struggle with contractor capacity. So we will continue to work with industry to maximize their capability.

Ms. KAPTUR. Thank you. My time has expired.

Mr. FLEISCHMANN. Thank you.

At this time, I would like to recognize my friend from California, the distinguished chairman of the Defense Appropriations Subcommittee, on which I am privileged to serve under him, Chairman Calvert.

Mr. CALVERT. Thank you, Mr. Chairman.

And, first, I want to thank the former assistant secretary of the Army, a long friend of mine, Mike Connor, and Colonel Handura for their work on the Majestic Chino project in the Prado Basin. The team helped navigate this 409 permit problem. We helped move that project forward. But I think it created a new precedent

within the Corps for future projects, and I thank you for that and appreciate that.

I also want to thank you for the work you are doing in L.A. It is obviously a tremendous disaster for the people in Los Angeles. With 7,000 structures, the debris removal is a tremendous job, but I know we waived the California Environmental Quality Act, NEPA, and also the California Coastal Commission to accelerate that project as quickly as possible, and I appreciate your work in getting that debris removal out as quickly as possible.

The Prado Dam project is in my congressional district. I secured full funding for the Santa Ana River Mainstem funding in the 2018 Budget Act. The final component of the mainstem project involves raising the Prado Spillway to accommodate a higher level of flood protection, which was fully funded.

The Prado Dam in Corona also requires a dam safety project. The Prado Dam shields almost 1.5 million people and \$61 billion in property from potential flooding in 29 cities in Riverside and Orange County. In an effort to complete both objectives in a more cost-effective way, the Corps pursued a unified project that will accommodate both the dam safety objectives and goals of the mainstem project.

However, your fiscal year 2023 budget justification for construction estimated the cost for this project was 650 million. The following fiscal year in 2024, the estimated Federal cost of the project increased significantly to 1.3 billion. And, frankly, I am concerned about what will be included in the fiscal year 2026 construction budget. The project is a prime example of why we have this hearing today, which is to evaluate project execution, project formation, and contracting.

With regard to this project, what is being done to resolve these issues, and do you anticipate additional costs that are not already included in the requested amount? Do you anticipate additional design charges?

Colonel HANDURA. Sir, I am going to turn that Prado piece over to my colleague, Colonel Walter, who is my teammate, and then I will follow up afterwards.

Colonel WALTER. Thank you, sir, very much. I appreciate the question.

So, as we look at Prado in particular, I would like to hearken back to the chairman's opening comments about trying to find a path to do our business better, particularly to our acquisition strategies. What we have done at Prado is we are pursuing an integrated design and construction project, which is a contracting mechanism that industry uses, which shares risk across both the contractor and the Federal Government. The intent of this is to drive down the price during construction.

So, after pre-construction services, there is a follow-on contract that is an option that is incentivized to the contractor to come below the target price where they are basically doing savings sharing. So that is one of the tools we are looking at to try to get the cost back into an actionable area.

We do anticipate there are some—there continue to be some cost increase. That is mainly due to what we have already discussed,

the market forces, and then also the addition of contingency in this contract mechanism.

Mr. CALVERT. Well, the sooner you can get that information to us, the better, where we can plan on that.

One other project is the Murrieta Creek flood protection, restoration, and recreation project. That has been moving forward. We got the \$39 million requested for completion of the phase 2b of the project. I am also concerned about this being delayed and additional design issues and additional costs that seem to continue to change as time goes on.

So, hopefully, there is a—we can get the successful bid out and get this project complete. I have been working on this thing for 30 years. I would like to get it done in my lifetime.

What do you think, Colonel? Can we get it done?

Colonel WALTER. Sir, I am not trying to—

Mr. CALVERT. I can move on to somebody else here.

Colonel HANDURA. I have got this one. Sir, let me talk Murrieta.

So, sir, we are on track scheduled for the ward of the last reach—that is the phase 2 bravo—in June of this year, 2025, and then we are looking at construction fall of 2025, sir.

Mr. CALVERT. You are going to stick to that?

Colonel HANDURA. Yes, sir.

Mr. CALVERT. Okay. Great. Thank you.

Mr. Chairman, I appreciate it.

Mr. FLEISCHMANN. Thank you, Chairman Calvert.

At this time, I would like to recognize my friend and a new member to the full committee and to the subcommittee, the distinguished gentleman from California, Mr. Levin, for 5 minutes.

Mr. LEVIN. Well, I thank my dear friend, the chairman, and it is truly an honor to be with you all. And I want to associate myself with my colleagues' comments thanking you for the hard work in L.A. I had the opportunity to go on tour with a number of the committee members recently, and it is just an incredible amount of work, and I am very grateful for it.

I have the great honor to represent about 50 miles of beautiful Southern California coastline about an hour south of there in Orange County and San Diego County. Come visit anytime. We really have had a tremendous relationship with the Army Corps of Engineers. I particularly want to thank Colonel Handura and everyone for all the great work these last 6 years.

We know firsthand the threats presented by coastal erosion, storm damage, and flooding, and the Army Corps continues to support numerous critical projects that maintain the integrity of infrastructure throughout our congressional district.

This past year, after many ups and downs, I am pleased that we completed the first renourishment of the San Clemente Shoreline Project as well as the Encinitas Solana Beach Project to deliver sand for my constituents and to protect our vital coastal infrastructure.

Colonel Handura, again, I want to personally thank you, as well as Colonel Baker at the L.A. District and General Spellmon, former commanding general for the Corps, for helping to make sure these projects were completed.

And while completing these projects was a win, it also demonstrated the limitation that our Corps faces in the Pacific region. There is very limited dredge capacity in the Pacific, which increases costs and threatens both maintenance and emergency dredging needs and the ability to complete projects in the necessary dredging windows.

Months- and even years-long dredging delays negatively impact communities, beaches, and the movement of goods through our ports and harbors. We must ensure adequate annual funding for the Corps Plant Replacement Improvement Program to support the Corps' infrastructure needs and make sure the Corps has the capacity it needs to best serve communities like mine throughout the entire Pacific region.

Colonel Handura, the city of Oceanside has experienced significant coastal erosion challenges since the construction of Camp Pendleton Harbor in 1942, and the Federal Government has acknowledged that construction of the harbor jetties was a direct contributing cause of this erosion.

I appreciate that the Corps is finally nearing completion of the Oceanside mitigation study to study this right—or to right this wrong, I should say—after nearly 25 years of work. That is pretty stunning.

It is of the utmost importance to my constituents that the Corps fully analyze a beach-fill-only alternative—that is the key, a beach-fill-only alternative—to get more sand on the badly eroded coastline, especially since there are strong local concerns about the construction of groins.

So can you commit, sir, that the Corps will work collaboratively with the city of Oceanside and other local governments in the area as you analyze alternatives to mitigate for the coastal erosion caused by Camp Pendleton Harbor?

Colonel HANDURA. Sir, thank you for that question. And we are moving forward on that mitigation study with plans to undertake sampling—sediment sampling in fiscal year 2025, the window of May to September.

USACE has a legal and policy—may have a legal—USACE has a legal and policy barrier to implementing sponsor-requested alternative evaluation on the beach fill because this is a mitigation study and we are restricted to the least-cost plan. Any deviation to this would require a policy determination by the administration.

We understand the stakeholders have broad concerns with the potential environmental damages associated by the groin alternative, and we are committed to using our stakeholder engagement process required under NEPA to ensure we have the locally accepted plan.

Mr. LEVIN. Thank you. Local acceptance is key, and I will be watching this very closely and really want you to work collaboratively with our city and our community.

Let me turn to another project, the San Luis Rey River Flood Control Project, which the Corps has been working on since before I was born. I am 46 years old. I remain deeply concerned about the low level of flood protection that the project presently provides despite over five decades of work and tens of millions of local dollars that have already been contributed to the project.

Colonel, what assurances can you give me that the Corps will move diligently towards the implementation of a construction plan that ensures, first, that the highest-priority necessary work for flood control is accomplished as soon as possible and, second, that the entire project is finished efficiently?

Colonel HANDURA. Sir, thank you for that question. And we are committed to finishing what we have started on that project contingent upon funding and engineering analysis for the levy and the sand plug. We have been trying to wrap this project up since reauthorization in WRDA 2020.

We appreciate the 7 million in funding received to do the geotechnical evaluation, and that report will inform if further levy repairs are needed. The geotech analysis is on schedule to be complete by this March of 2025. The sand plug analysis is needed to determine if it can be removed safely or if it naturally requires intervention. This and the sand plug removal is needed to complete the project to provide the channel capacity to pass the 100-year event.

Mr. LEVIN. I am out of time, but I would like to ask for a follow-up meeting with the Los Angeles District and South Pacific Division so that we can get the project moving.

Colonel HANDURA. Absolutely, sir.

Mr. LEVIN. Thank you. And I will ask other questions for the record.

And I will yield back, Mr. Chairman.

Mr. FLEISCHMANN. Thank you, Mr. Levin.

At this time, I would like to recognize the distinguished vice chairman of this subcommittee, new to the subcommittee and proud to be my partner here, Mr.—goodness gracious—Mr. Chairman Cloud of Texas from the Corpus Christi area. It is an honor to have you with us, sir.

Mr. CLOUD. Thank you, Chairman. It is an honor to be here, and I look forward to continuing to serve you in this committee and in our Nation.

I want to thank you all for being here. Thank you for the work that you do. Anytime I am sitting in front of people who have distinguished military service like you all, I am humbled. And thank you for your service. I appreciate it.

I also want to say thank you for the great work that is being done along the Texas coast where I represent the Port of Corpus Christi. Our number-one energy export port is coming to completion. That is because a lot of the great work that you all are doing, and we are excited to see that happen and all that it is going to mean—not only for our national economy but what it is going to mean for our allies as we are able to support them with energy around the world.

I do want to touch on the Matagorda Ship Channel. This has been kind of a sticking point as we move through. We had a project that had a record of decision. In an unprecedented move, the Biden administration rescinded the record of decision—that had never been done before—and sent the project back to basically zero starting point.

And so we have been working to move this forward as quickly as possible. You know, we have had a number of meetings to do what we can to squeeze that timeline as much as possible.

I have been concerned about the Corps' willingness in the previous administration to—I am trying to think of a polite way to say this, but—to acquiesce to certain environmentalist groups who looked to put roadblocks who—their stated position is to kill the project.

I understand we want to build and we want to do it reliably and responsibly and those kind of things, but when their stated objective is to put every sort of hindrance into the project in an effort to kill it, I get very concerned about that. And so we have seen this timeline continue to slip.

And, in light of President Trump's new executive order—which, you know, it is a dozen pages or so, and so I won't read it all—but he talks about the importance of speed. Burdensome, ideological-motivated regulations have impeded the development of our natural resources. He talks about the national interest to unleash America's affordability and reliable energy in natural resources. And he goes on and he basically says, we need to find a way to expedite this going forward.

And you, being in the Army, know that we are in a massive competition globally and especially with China, and they seem to be able to build things quicker than we can. And so I would like to know what we can do to move this project forward very quickly and efficiently going forward.

I was concerned, again, you know, as we are looking at delays in this project, that there was a Justice 40 seminar that the Corps took time to spend time on that day. Meanwhile, we have projects not moving forward. And so I would like to have some sort of confidence on what we can do to streamline this timeline in light of President Trump's new executive order.

Colonel WALTER. Sir, if you don't mind, I will take that one.

Mr. CLOUD. Thank you, sir.

Colonel WALTER. It is good to see you again.

So, Matagorda is one where we did get the engineering wrong. You and I discussed that when we met the last time.

So, as we look forward, we are actually just wrapping up the supplemental EIS, the environmental impact statement, for that area. When we had to place the dredge material, we need to look through—we look very good on that. I just actually signed a validation review of the path forward. I believe that in November of 2025 we will be able to release—so this November—release for public comment the report with a post-authorization change request the following year, November of 2026, which would allow to understand the full cost of that project.

For going forward, we absolutely remained committed to monitoring and holding ourselves accountable. The chief had mentioned the monthly reviews of our programs. So keeping an eye on our metrics for how we are doing and looking forward to make sure that, as milestones are approaching, we are prepared for them so that we can ensure that we are not eating into contingency and going long on things.

Mr. CLOUD. One other question I had on this particular project, too, is the BCR has been an issue—benefit-cost ratio—which, normally, I am for. I am a fiscal hawk, and so I always want us to have a taxpayer—a good ROI on this. This is one where we have a nonfederal sponsor willing to pay for almost the whole project, and yet there has been no sort of allowance made for that or consideration for that in our conversations despite my many efforts to bring kind of common sense to this equation. And so my hope is that that would not be a hindrance moving forward.

And anything you can to speak to that, especially in light of—we have groups that are specifically trying to move the cost up to make that formula not work and so that the American people wouldn't be able to have access to the completion of this congressionally authorized project.

Colonel WALTER. Sir, I think it is fair to say we are mindful of that. Rhett, who is down in Galveston—he and I traded notes on this yesterday as far as the value to the American people. So we remain focused on that.

Any discussion outside the policy side of it, I would really have to defer back to the administration and then the Army—or the assistant secretary of the Army for Civil Works to go through the implementation for policy.

Mr. CLOUD. Thank you. I appreciate it. Thanks for all your work. Thank you, Chairman. I yield back.

Mr. FLEISCHMANN. I thank the vice chairman for his questions. At this time, I would like to recognize my friend from the great State of Indiana, Mr. Mrvan, for 5 minutes.

Mr. MRVAN. Thank you, Chairman.

And thank you to all the witnesses for your testimony today.

Before I get to my first question, I want to first take a minute to recognize the important work of the U.S. Army Corps of Engineers, which is critical strengthening the economy—a critical role in strengthening the economy of northwest Indiana and the entire Midwest and our Nation.

I am privileged to represent Indiana's First Congressional District, which is home to 40 miles of Lake Michigan shoreline, three major river corridors, the Grand Calumet River, the Little Calumet—the Grand Calumet River, the Little Calumet River, and the Kankakee River, as well as the Trail Creek, Burns Harbor, and Indiana Harbor waterways. It is the center of vital road, rail, air, and port networks in the Great Lakes Region and is home to major manufacturing industries. This infrastructure, in conjunction with our labor workforce and proximity to Chicago, enables our region to attract new commercial and residential interests and talent.

There is no doubt projects under the jurisdiction of the U.S. Corps of Engineers serve as an economic driver of Indiana's First Congressional District, and I am grateful for their missions in our region. I cannot tell you how many times I have stood with mayors and other State and local officials who have shared that your work has facilitated economic development and enhanced the quality of life for residents in our region.

I also appreciate our partnership with other economic drivers in our region, including the dredging initiatives at the international port of the Burns Harbor, permitting the Gary/Chicago Airport,

and efforts to protect our shoreline and clean our waterways, particularly through the Great Lakes Restoration Initiative.

My father was one of the longest-serving members of the Indiana General Assembly, and as a young child, I remember attending public forums with him and other stakeholders, including the representatives from the Corps, to address the toxic pollution found in the Grand Calumet River. I am proud that the Federal Government, including the EPA in partnerships with the Corps, has made such great progress, and I am hopeful that, as we move forward, we can finish this work to remove over a century of industrial discharge and benefit the countless residents, businesses, and environment of northwest Indiana for the next century. And I look forward to working with all of you.

My first question is for Major General Quander. In my district and across the Great Lakes, some projects have been slowed because of the difficulty of finding somewhere to put contaminated dredge materials. How does the dredging and the management of the dredge materials impact the Corps' ability to carry out its mission with respect to dredging and the operations and maintenance?

General QUANDER. Representative Mrvan, sir, thank you for that question.

In terms of dredging, each State has some different—we have engagements with different States with dredging and we just—we have different engagements with different States in terms of dredging with Illinois, with the State of Ohio, and then—those States.

Representative, we need some additional capacity for dredging, clearly, in the Great Lakes, and then we need some opportunities to how we dispose the dredging. And, like I said, we have some different challenges in different States.

Mr. MRVAN. What are the opportunities for the disposal? What does the future look like?

General QUANDER. Representative Mrvan, in terms of opportunities for disposal, we have our confined disposal facilities, which we know we have in the State of Indiana.

Mr. MRVAN. Correct.

General QUANDER. I know you have that in your district. Up in the Great Lakes, though, we have some challenges in terms of Illinois with the Calumet confined disposal facility. And so, as we are trying to dispose, we are kind of at an impasse at that location.

Mr. MRVAN. Okay. One other quick question, General. With respect to the Great Lakes Coastal Resilience Study, can you explain the benefits of studying the variability—the viability of lake levels and the shorelines as well as the potential economic impacts that these fluctuations may have at the Great Lakes coastal communities?

General QUANDER. Yes, sir. So, in terms of the Great Lakes Resilience Study, we have previously experienced negative impacts from both the high and low lake levels in the past 30 years. Flooding and coastal erosion have occurred more frequently.

That partnership with the eight Great Lakes States has been hugely important, and it is allowing us to look at lake levels and also studying potential vulnerabilities in those lake levels and make recommendations. We have just completed the first milestone

of the shared vision, and we look to incorporate projects after we continue to progress on that Great Lakes study.

Mr. MRVAN. Okay. I look forward to working with you in the future. Thank you.

With that, I yield back.

Mr. FLEISCHMANN. Thank you, Mr. Mrvan.

At this time, I would like to acknowledge and recognize my friend, Mr. Franklin, from the great State of Florida.

Gentlemen, this man has had a distinguished career in the great United States Navy as an aviator and is just a great new member of this subcommittee. I am glad to have you, sir.

Mr. FRANKLIN. Thank you, Mr. Chairman.

And thank you, gentlemen, for being here today.

I have the privilege of representing Florida's 18th Congressional District, which is the heartland of the State of Florida. I tell everybody it is the south half of Florida with no saltwater. So if that gets your bearings.

But, as you all probably know, there is a tremendous amount of work you all do in my district. The Western Everglades Restoration Plan, that is in our district. All the watershed that feeds that has a tremendous amount of projects that you all are involved in. So you are top of mind for many of my constituents, and I appreciate all the work you do.

We can always do things better, and I know I am sensing that from you all. There is a spirit there to try to improve our processes. We always want to do government, you know, better, faster, cheaper, and fix people's problems.

So I want to dive in a little bit—General Hibner, this would probably be most appropriate to you—to talk about the Section 404 Clean Water Act permitting—and this is really just an example that can scale across anywhere else within the Corps—but just talk about the efficiencies in this program.

In 2016, the Army Corps Jacksonville District approved 735 projects. In 2017, it was 874 projects. 2018, 850. So around, you know, 825 give or so—give or take a few each year—was what was getting done. In 2020, the State of Florida assumed the ability to issue those permits. So it kind of took some of that workload off the Corps. By 2022, the State had done 1,615 projects. In 2023, 1,450 projects. So roughly double. Not quite double, but quite a bit more. It reduced the backlog that had been a big part of the frustration for constituents.

But, in February of 2024, the Federal Government—or the Federal courts issued an order that took away that State authority and put it back on the Corps. I know that wasn't anything that excited the Jacksonville office at the time, but it was what it was. Since that time and, really, within a matter of weeks after that decision, our phones started blowing up with the backlog starting to mount again. Now, we have got big backlogs and we are trying to figure out how to plow through that.

I have an amendment in the—well, before I get to that, I would just love to hear your thoughts. Why is it that the State seems to be able to do this so much more efficiently than the Corps has been able to? Is it a question of money? Is it people? Is it the processes?

Assuming the State is doing it right and the standards are met at the same that the Corps would do—and that is an important assumption, and if that is not valid, then I would need to understand that. But why the difference and the disparity? Why can the state do it much more efficiently?

General HIBNER. Yes, sir. I appreciate the question. And I won't pass judgment on whether the State was doing it properly or not. They were told to stop in 2024. We were doing our part in helping the State assume that responsibility for 404 permitting.

And what we have done since then is we have actually established a regional permitting agency within the division—not only my division, but other divisions in the Corps of Engineers—to help us expedite our permitting process, to put more resources against our permitting process to—in order to let that development—all this really important development to occur for the people of Florida and for the Nation, and we will continue to do that.

Whatever the future holds for 404 permitting, if it does end up going back to Florida and Jacksonville won't be doing that, we will, once again, in good faith be good partners in transferring that responsibility back to the State of Florida. But I will mention that that does cause turbulence and that does slow us down as we are doing those multiple transitions, but we will do it as quickly and as efficiently as possible.

Mr. FRANKLIN. And I understand there is turbulence in that transition, and that probably contributed to some of the backlog increase initially when it was moved back over.

If the State were to take this—assume this fully, what kind of savings would that provide for you? And then, conversely, if the decision were not made and it stayed on the Corps' plate, do you need additional—what additional funds are we talking about?

General HIBNER. Sir, it doesn't necessarily provide savings to us. We have our regulatory program and our regulatory personnel that are providing that service of doing those—of processing those permits.

So, whether it is the Corps of Engineers doing it or it is the State of Florida, the funding that comes from the Federal Government will be directed just to a different entity. Instead of my regulatory program, it would be the State's regulatory program, and we would have to figure out how we best employ our regulators or let them go since the work is no longer there for the Federal Government.

Mr. FRANKLIN. Okay. And, along with the ranking member, I too hope that we can get our appropriations bills done for fiscal year 2025. I have got an amendment that is in the Interior appropriations bill for 2025 that would restore that authority back to Florida, and I appreciate your comments that it would be a smooth transition. If we do that, we definitely want to be working with you all hand in hand to ensure a smooth turnover. But thank you very much, gentlemen, for being here.

Chairman, I yield back.

Mr. FLEISCHMANN. Thank you, Mr. Franklin. I also echo your sentiments. I sure hope we can get fiscal year 2025 done. So thank you.

At this time, I would like to recognize my friend from the great State of Mississippi, the distinguished chairman of the House Eth-

ics Committee, who is with us on this subcommittee today, Mr. Guest. Thank you, sir.

Mr. GUEST. Thank you, Mr. Chairman.

Gentlemen, thank you for being with us today. I think you can see from the questioning here that every district across our great Nation has critical infrastructure needs, and each of us—as Members of Congress, we do our best to try to vet those infrastructure needs, and then we advocate for our district as we seek funding for those critical infrastructure projects. And, many times, you are going to be included as individuals who are going to be working on those projects.

And we know and we have seen here today by some of the examples that have been given that, often, we find that those projects experience extensive delays, that those delays then cause the cost of the projects to go up extensively, and that we experience—as Members of Congress, we experience frustration with that. Our constituents back home, our local leaders, local government entities who are vested and bought into these projects—they experience frustration.

And so what we want to try to do—and I think that the goal of this hearing is to figure out where those choke points are and what we can do to alleviate those choke points and try to get these projects flowing much quicker.

There have been examples here. Chairman Calvert talked about the fact that he has a problem—has a project within his district that has been going on for 36 years. I think I heard someone over here mention a project maybe going on for 40 years. You know, and I think back that, you know, we were able to construct the Hoover Dam in 5 years, actually 2 years early and under budget. We were able to send a man to the moon 8 years after John F. Kennedy challenged America to fulfill that mission.

And so I know that we have the ability, that we have the workforce, but I feel like that we have been constrained. And some of the constraints you have mentioned—particularly on the larger projects, General, you mentioned the fact that there are only 25 firms nationally that can do projects of over 500 million, but there are a lot of smaller projects where we would have additional contractors and additional firms who are able to participate.

And so the first question is, do you—being the Army Corps, do you have the workforce that you need to get these projects approved and to get these projects moving forward? And then the second part—and we can talk about these at the same time—is the environmental compliance. And you talk about the environmental compliance in your testimony. You talk about the National Environmental Policy Act or NEPA, the Endangered Species Act or ESA, the Clean Water Act. And so what can be done to expedite these critical infrastructure projects to move through the environmental compliance?

And Michael Cloud made a good point that there are environmental groups that are continuing—continue to sue to United States Government with the sole goal in mind to shut the project down completely. They don't want the project to be built better or to have less harm to the environment. They just want to kill the whole damn thing. And the longer they can keep it in court, and

the longer that it drags out, and the more costs that are associated, then they hope that we will move on and do something else.

And so the two questions that I have—and I will stop talking and give you the next minute and a half to answer those—is, one, workforce within the Army Corps. Do you have the workforce that you need, particularly to the smaller projects? And then what can be done on the environmental compliance side?

General GRAHAM. Representative Guest, thank you for that question.

Regarding cost delays, we share your frustration. We absolutely do. Everyone at this table shares that frustration. We take this personally when we can't deliver on our commitments to you and to your constituents.

On the internal workforce, we are susceptible to the same market trends that everybody else is. We are at 3 percent unemployment, and it is a hot market out there right now for structural engineers, and we have to compete. We have the tools available that allow us to do that.

And so that is our responsibility to successfully compete in the labor market, or we have to tell you that I can't get to this project right now. We are not going to say no. We just have to say not now because I don't have the workforce on board, but we will work hard to get it. What we also can do is to leverage the talents of the private sector.

In the 18 seconds I have left, sir, in terms of the environmental compliance, this is one where it is almost counterintuitive, but it is go slow to go fast. Every time we have tried to not dot our Ts—dot our Ts—cross our Ts and dot our Is carefully on the environmental side, we usually end up getting sued, and then that sets the project back further.

Mr. GUEST. Thank you, Mr. Chairman. I yield back.

Mr. FLEISCHMANN. Thank you, Mr. Chairman, for those questions.

At this time, I would like to recognize Ms. Lee of Nevada.

Gentleman, Ms. Lee, like my good friend from California, Mr. Levin, is one of my co-chairs. I chair eight caucuses, and caucuses—and I say this because there are other people watching this all across America—are a way that Republicans and Democrats can work together in a bipartisan fashion on a common issue.

With Ms. Lee, it is cleaning up legacy waste sites. With Mr. Levin, it is on spent nuclear fuel. So it is a bit niche, but we all work together.

So at this time, I would like to recognize Ms. Lee of Nevada for 5 minutes and thank her.

Ms. LEE. Thank you, Mr. Chairman. Thank you for your leadership.

I also want to thank all the witnesses for being here today and for all the critical work you do with respect to our water resources, and that is really what I want to focus on right now, being from Nevada, and my colleagues from other States where water resources are plentiful.

I was very disturbed to hear about the Army Corps' highly unusual release of over 2 billion gallons of water from Central California's Terminus and Schafer Dams last month in what appears to

have been, quite honestly, just a simple, risky, rushed, wasteful political stunt by the Trump administration to create this impression that somehow this water would assist the wildfire response in Southern California.

After that happened, there was reporting that the water didn't help the farms or L.A. at all.

And actually, what is more concerning, being from the west, is the understanding of how important our reservoirs are to water management, especially as we look to a potential drought year again and what farmers are going to do come August when they rely on that water that was released prematurely from those dams.

So my question, General Graham, is not about this now well-covered incident in Southern California, but more about what are we doing going forward, and how are we going to handle when politics sometimes comes and trumps the science and the good sense in water management?

I want to know is the Army Corps positioned and prepared to ensure that its stewardship of so much of America's water remains free from this type of harmful political interference?

General GRAHAM. Representative Lee, thank you for that question.

And we absolutely remain committed to making sure that all of our actions are lawful. We have got great working relationships with the irrigators down in the Tulare Lake region of the southern Central Valley, and our commitment is to continue to work with the State and local irrigators to get the maximum benefit out of the water and those basins.

And so, the water that was released those days were flood storage water. It wasn't irrigation water, and so that was completely within Corps authorities.

Now, what we have done, and certainly the sense of Congress has been to work as collaboratively as we possibly can with the local irrigators on the flood waters.

And so, we have an R&D initiative called forecasting foreign reservoir operations where we will take a little bit more increased risk with holding onto flood storage waters because we can see the atmospheric rivers as they are coming across the Pacific. And that allows us to then more slowly discharge those rivers to make sure that we are maximizing what the irrigators and the citizens can use.

So, ma'am, that is our commitment to you.

Ms. LEE. So are you saying that this was flood control? That this release, it wasn't prompted by any call by the Trump administration?

General GRAHAM. Ma'am, the water released was flood storage water.

Ms. LEE. No, but was it a flood management release, or was it at the direction of the Trump administration, was my question?

General GRAHAM. Ma'am, the answer to the question is it was in compliance with the executive order that we were given.

Ms. LEE. Okay.

So that allows me to drill a little bit deeper on another issue of political interference.

So now, if Congress specifically directs funding to an Army Corps project in fiscal year 2025 or 2026 under our appropriations legislation, but the President or, perhaps, his OMB director, then illegally orders the Corps to withhold such funding, how will the Corps respond?

General GRAHAM. Ma'am, when our policy officials come on board—right now that question would be best directed towards them. We don't have any of our policy officials on board right now. And that would normally be the Assistant Secretary of the Army for Civil Works is an appointed official, and we don't have any of those folks on board now.

Ms. LEE. So you can't answer whether or not the Army Corps of Engineers will legally adhere with our Constitution and our appropriations process? You are unable to answer that? We need someone else to do that?

General GRAHAM. Ma'am, we will always ensure that our actions are legal and in accord with the Constitution. The more nuanced policy questions, I would ask that once we get a policy official on board, they would be best set to address those adequately.

Ms. LEE. Okay. Thank you.

I yield.

Mr. FLEISCHMANN. Thank you.

At this time, I would like to recognize my friend Ms. Maloy of Utah. She is new to the subcommittee, is a water attorney by profession—

Ms. MALOY. I used to be.

Mr. FLEISCHMANN [continuing]. And I thank her.

So it is a privilege to have you on the subcommittee.

And I recognize you for 5 minutes.

Ms. MALOY. Thank you, Mr. Chairman.

I am going to follow up on some of the things that my colleagues over here talked about with the choke points and efficiencies with getting permits issued, but I want to talk about it at a little bit higher level.

I introduced the Free Act last Congress and this Congress, and it is an attempt to get agencies to look into using permit by rule so that we can issue permits more efficiently.

In the meantime, Executive Order 14154, issued on the day of inauguration, orders the Secretary of Defense, as well as the heads of other relevant agencies to undertake all available efforts to eliminate all delays within their respective permitting processes, including through but not limited to the use of general permitting and permit by rule.

So while I am working on it on the legislative side, you are also being told by the administration to work on it.

And a couple of my colleagues, during their time, talked about preventing projects by making them more expensive, how there are groups that like to sue and delay projects and make them just more and more expensive until they may become prohibitively expensive and never happen.

But even if we get projects built and permitted, they cost the taxpayers a lot more than they needed to, to begin with.

So my question is: Are you familiar with the executive order? And if so, what are you doing to implement permit by rule and

eliminate some of these efficiencies that we have been talking about today?

General GRAHAM. Representative Maloy, thank you for that question.

We are, indeed, familiar with executive order—all of the executive orders that have come down regarding our regulatory program, and we are working to unpack those right now.

I don't have any direct answers for you right now, but we certainly acknowledge the challenge.

Ms. MALOY. Okay. Well, I would encourage you to work with us to find ways to implement permit by rule.

One of the things that you all talked about is that the private sector could be utilized better in meeting some of these needs, but there is some inefficiency in doing that.

In a permit-by-rule scenario, the private sector could be utilized in giving the Corps some of the information that you can then review to decide whether it is adequate for issuing a permit.

I think that would be a lot better for the taxpayers, we would have good environmental decisions, good engineering decisions, made in a lot less time.

So please work with us; let us help you figure out how to implement that because I think it is a good direction for us to go in the future permits shouldn't take as long as they take. We can make good environmental decisions a lot faster and a lot cheaper than we are making them.

General GRAHAM. We are in 100 percent agreement with you.

Ms. MALOY. Thank you for your time thank you for being here. And Mr. Chairman, I yield back.

Mr. FLEISCHMANN. And thank you, Ms. Maloy, for those questions.

It has been brought to my attention, gentlemen—and by the way, I thank you for a very furtive first round of questions.

Some of my colleagues would like to engage in a second round and glad to acquiesce in that regard.

Myself, I am satisfied, but I am going to defer now to the ranking member—oh, well we are back in the first round kind of like, well, that is good, which is great, hold those comments.

My friend from Florida, Ms. Wasserman Schultz, welcome back, and you are welcome to ask questions for 5 minutes.

Ms. WASSERMAN SCHULTZ. Thank you so much, Mr. Chairman, and thank you for the indulgence.

And my questions will be directed at General Hibner.

General, this subcommittee, on a bipartisan basis, has strongly supported projects across the country to accommodate larger container ships that are coming to dominate the waterborne shipping industry.

And Port Everglades, in my district, is not only a cornerstone of south Florida's economy, but also one of the Nation's most critical seaports facilitating billions in trade and supporting thousands of jobs in our region.

As one of the top container ports in Florida and a key gateway for energy products, cruise operations, and international commerce, ensuring its infrastructure keeps pace with industry demands is

really essential. But the Army Corps' navigation improvement project has still not been implemented after three decades.

The port is struggling to accommodate increasingly larger cargo vessels. The Port Everglades Pilot's Association has done an exceptional job navigating these challenges, but their ability to safely transit larger ships is now further hindered by high spots from shoaling identified in the Corps' latest hydrographic survey.

While the Corps originally planned the next full channel maintenance event for fiscal year 2027 the Jacksonville district has indicated that they have the capability to at least start preparatory work if funding is available.

So given Port Everglades' vital role in our district's economy and national trade, would you support including funding in the Corps' fiscal year 2025 work plan to expedite this maintenance event?

General HIBNER. Ma'am we acknowledge the importance of the port and the importance of regionally having all of our harbors at maximum capacity so that all the ships that are calling on, say, the eastern seaboard in my region are available at the maximum depth and those ships can come in at any time that they need to, that we are not relying on title action to bring in the largest vessels in all of those considerations.

And to Port Everglades, ma'am, I am tracking that there is some typical shoaling that does happen in our harbors, but that the cycle of 5 to 6 years for doing the O&M, dredging the operations and management dredging for Port Everglades is on schedule and should happen in 2027 and 2028.

And that is all I have.

Ms. WASSERMAN SCHULTZ. But what I am asking you is there is room to expedite some of this, and is that something that you could look at and be supportive of so that we can move faster.

General HIBNER. Ma'am, if there is, and I apologize for not knowing the exact details of the condition of the port, exactly how much shoaling is happening.

Ms. WASSERMAN SCHULTZ. Yes, that is okay.

General HIBNER. But if there is some maintenance that needs to be done, we will of course do what we can to address those concerns.

Ms. WASSERMAN SCHULTZ. Okay.

But what I am asking you to do is please go back and take a closer look at it and see if it is possible to expedite any portion of it.

General HIBNER. Understood, ma'am, we will.

Ms. WASSERMAN SCHULTZ. Because it is really critical for us.

General HIBNER. Yes, ma'am.

Ms. WASSERMAN SCHULTZ. I also, General Hibner, note that this hearing has been focused on project delays and rising costs at the Army Corps. I was here for the beginning of the meeting and heard the testimony.

But no project has experienced more of these delays than the deepening and widening project at Port Everglades. Can you provide us with an update and timeline for when we can expect to reach key milestones to move this project forward, and what steps can Congress take to ensure that projects like this one don't face unnecessary bureaucratic delays.

General HIBNER. Yes, ma'am.

Ms. WASSERMAN SCHULTZ. It has been more than 20 years.

General HIBNER. Ma'am, we submitted the biological assessment for the expansion of the harbor back in May of 2024. We appreciate you and your office's support in trying to come to an agreement with the National Marine Fisheries Service to be able to reconcile some of our differences in what they see in our biological assessment and what we think is sufficient and what they believe is sufficient.

As to your question for the timeline, this has gone long enough in our assessment.

Ms. WASSERMAN SCHULTZ. Oh, yes.

General HIBNER. And we want to move this forward. We are going to do a final push next month with a meeting with the regional leadership of both the Corps of Engineers and NMFS, with the goal of reconciling as much as we can.

If we are able to and we are successful, then we will be able to have a biological opinion process started with NMFS in July of 2025 this year with the goal of having a record of decision in October of 2026.

If not, ma'am, we are done doing this at the regional level and we are going to bring this up to the higher level the headquarters and the Assistant Secretary of the Army for Civil Works.

Ms. WASSERMAN SCHULTZ. Thank you. I appreciate that.

And I am going to continue to offer my assistance to be able to try to make sure we can bring this in for a landing to address the environmental concerns and the economic needs to move this project forward.

Mr. Chairman, thank you very much. I yield back.

Mr. FLEISCHMANN. I want to thank Ms. Wasserman Schultz for her questions.

And I will associate myself with my earlier remarks. We are now going to move to round two.

And I recognize Ms. Kaptur for 5 minutes.

Ms. KAPTUR. Thank you, Mr. Chairman.

General, I wanted to ask you, in order to help the Corps meet your staffing challenges and some of the contracting challenges you have discussed, how few companies there are in our country that can actually handle a contract with bonding over \$500 million, would you be open or have you ever done Zooms with Members of Congress and having them invite their business communities to hear this for the first time, both in terms of staffing as well as the private contracting issue? Would you be open to that? Do you have staff to do that?

Could someone answer that, please?

General GRAHAM. Sure.

Ma'am, absolutely, we would be open to that. Each of the regions, they do regional industry days. Maybe I will ask General Quander to speak about what his regional industry day does. And those are broad gatherings of industry and government officials to lay out what work might be coming up and what capacity they might have. It is a good meeting of the minds.

Mark.

General QUANDER. Thank you, ranking member, for that question.

In terms of industry days, so for us, we do it both at the regional level and the district level. And as General Graham described, we bring in members of industry. Some are folks that are new to the Corps. So we explain how—we explain our workload first and our portfolio, what we have coming up for the next year. And then we explain how we do business with the Corps. And so we push that information out there.

Then we do breakout sessions, and those breakout sessions, it is both us talking about Corps projects and feedback from industry on how we can work better together. And the feedback from industry has been hugely valuable as we look at how we do acquisition in the future, ma'am.

Ms. KAPTUR. Thank you for that.

Well, I can tell you what, we will be interested in our area. So if you are open to that, just let me know who we call.

I want to move on to another question. I handed out a map this morning before the official meeting began, and it is actually a map of the—a small map of the largest watershed in the entire Great Lakes, which our region shares with Canada.

And the reason I am showing this to you is because I think I have served longer than anybody in the room. And 40 years ago, we had sent a sample of the dredge material from the southern shores of Lake Erie, the largest dredging budget in the Great Lakes, the southern shore of Lake Erie.

And we asked them for help because there is so much material, it would fill the Cleveland Browns stadium every year 400 feet high. That is how much dredge material there is.

And we have been seeking for years, working with the Corps and others, to try to find a way to reapply this material in a scientifically reasonable manner.

I will invite you to lunch, if that is legal, I don't know, and we will go over to Cleveland, and we are going to meet with the sewage treatment division of the greater Cleveland area. They have managed to process raw sewage and turn it into an EPA-applied land application that can be used in parks. It can be used in gardens and so forth.

And I keep asking myself if the city of Cleveland, which has one of the finest—I don't represent it anymore. Our State likes to gerrymander us around, but actually, it has benefited me as a human being, because now I understand the whole watershed.

The Cleveland area has found the magic key, and so I would like—we never really got a good answer from Vicksburg. The soil went down there. It came back and went back again. I don't know. It is like—I want to bring the Vicksburg people in to meet the folks in the Cleveland Water and Wastewater Authority and see what it is that is so unique about the +dredge material, which I think would be so much cleaner than what they are dealing with, and why we can't get a scientific answer out of the Corps.

So I don't know if you would be open to that, General, but I think we need to cross skills here and try to find a way so that we can land apply dredge material.

Would anyone wish to respond to that request?

General GRAHAM. Yes, ma'am. And I will start, and I will turn it over to General Quander.

First off, the benefit to reuse the dredge material, to view this clean material as an asset, we are 100 percent on board. Our goal is to achieve 70 percent beneficial reuse of all of our dredge material. We will certainly bring our engineering research and developers up to meet with the Cleveland folks and General Quander's team to see if we are missing something that Cleveland has figured out.

Ms. KAPTUR. You know, and what has happened over the years—I hate to—it is 40 years of effort. So I have got 10 seconds left.

But can you imagine how difficult we have made this? Got into a big fight, Cleveland, and then had to stop the Corps, go to Federal court to stop the Corps from open-lake dumping.

And we built all of these containment facilities on the Great Lakes, across the Great Lakes, certainly our region of the Great Lakes, but we haven't gotten—we have done experiments with corn growing right on the banks of the Maumee River. We have worked with the agriculture department on that.

This seems to be a solvable—this isn't nuclear waste. We have got enough trouble with that.

And if you tell me it has got to go in a hole, the region that I represent has giant, giant stone quarries, and they have dug down hundreds and hundreds and hundreds of feet. There is room to store material there, more than the Cleveland Browns stadium.

My point is I think we have a way of dealing with this, but we can't seem to get the scientists together to find an answer. And I really don't understand what is holding it up because there is so much material. It is just so much.

And it is all washing from the land into the lake, and then we are pulling it out and we have got to—and maybe it is not really sick.

So if we can figure out what to do with sewage and make a profit, which they are by selling it, the treated product, then we should do it.

General GRAHAM. Ma'am, you have our commitment on that.

Ms. KAPTUR. Thank you. Thank you very, very much.

Let's see. Do I have another question here?

I asked you about your staffing issues and about the Zoom. So I think that will be it.

Thank you very, very much for participating today.

Thank you, Mr. Chairman.

And thank you to all of our members who have done such a great job.

Mr. FLEISCHMANN. I thank the ranking member for her questions.

At this time, I would like to recognize Mr. Levin for 5 minutes.

Mr. LEVIN. Thank you, Mr. Chairman.

General Graham, I want to thank the Corps again for all the hard work being done on the L.A. fire response.

Along those lines, I want to also ask about the release of water from the Terminus and Schafer Dam. I just have four yes or no questions, and then I have a couple of open-ended questions to let you opine a bit on what you think happened.

So first, the yes-or-no question. Is it true that the 2 billion gallons of water never reached L.A.?

General GRAHAM. I don't know what happens to the water once we release it from the dams.

Mr. LEVIN. They evaporated in the dry lake bed in Lake Tulare, from all public accounts. Is that not consistent with what you understand?

General GRAHAM. Sir, I don't know what happened to the water once it released to dams.

Mr. LEVIN. Okay. I will ask you to follow up and find out.

It is also true that even if it had reached L.A., the fires were already 100 percent contained. Is it correct, General, that the water was released and lost—well, I guess you said you didn't know.

You will have to take my word for it. It was released and lost in a dry lake bed, even though that water was supposed to be saved for some irrigation. That has been widely commented on by scientists, farmers, and the rest.

Is it correct, in your view, that the release of this water potentially worsened future water shortages in our State, particularly if we have a dry next few months?

General GRAHAM. Representative Levin, it was excess flood storage water which we—

Mr. LEVIN. You said that a few times. I just want a yes-or-no answer.

Do you think it could potentially have contributed to the water shortage in our State?

General GRAHAM. I don't know.

Mr. LEVIN. Can you find out for us and take that back?

General GRAHAM. We will do our best.

Mr. LEVIN. You guys have a lot of experts that we fund. I would like to know.

How do you respond to scientists and farmers who say that these releases contradicted established flood safety rules, established coordination that has been in place with local authorities for decades, and just sound science?

General GRAHAM. I don't believe I have an answer to that.

Mr. LEVIN. You don't have anything to say to the farmers who are worried about water shortages this summer or the local communities that felt they were out of the loop?

General GRAHAM. I don't have anything else to respond.

Mr. LEVIN. Nothing to say to them.

What assurance can you give us that the Corps will follow flood safety rules, follow local coordination precedent, follow sound science if you have a future executive order that demands that you do the opposite of what is best practices by the Corps?

General GRAHAM. Representative Levin, our commitment is to always follow our statutory processes, as defined by the water control manual.

Mr. LEVIN. And do you think that happened here?

General GRAHAM. We were absolutely within the statutory authority of the Corps, as laid out in the water control manuals.

Mr. LEVIN. Statutory authority is one thing. Common sense is another.

And the overwhelming public evidence suggests that despite all of the local coordination that had gone on for decades, despite the

fact that scientists were saying, Don't do this, you know, basically what happened is you had to slam on the brakes.

You wanted to release several thousand in both the Terminus and Schafer Dam. You wanted to release several times more than you actually did. And common sense prevailed to an extent, but you still released a huge order of magnitude more than common sense would have dictated.

Is that not accurate?

General GRAHAM. Representative, we released water in accordance with our authorities.

Mr. LEVIN. You are saying all of the public reporting is wrong?

General GRAHAM. I am saying we released water in accordance with our authorities.

Mr. LEVIN. And in the future, if Congress gives you the money to conduct sound science, and if it is the sense of Congress and really more than the sense of Congress, the direction of this committee and of Members of Congress that you have good local coordination and you do it in the best interest of stakeholders, like our farmers, what assurance can you give us that is actually going to happen if, in fact, you get another executive order that says to do all the opposite?

General GRAHAM. We will always work to ensure that we are in compliance with all laws and with the executive orders we have been given.

Mr. LEVIN. What steps are you taking right now to ensure better communication and coordination with local farmers and local stakeholders?

General GRAHAM. That coordination is built on relationships that are nurtured with daily coordination.

Mr. LEVIN. Probably have been hampered a bit, don't you think?

General GRAHAM. I wouldn't speculate.

Mr. LEVIN. Well, I am speculating that you have a lot of work to do to regain the trust and confidence in local farmers, local stakeholders, scientists, and all of us that you are going to follow common sense and facts rather than an executive order that contradicts those things.

And with that, I will yield back.

Mr. FLEISCHMANN. At this point in time, I would like to recognize Ms. Wasserman Schultz of Florida for 5 minutes.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

General Hibner, back to you.

As you know, Everglades restoration is one of the most significant environmental restoration efforts in the world, and thanks to our strong State and Federal and local partnerships, we have made historic progress in recent years.

And the Bipartisan Infrastructure Law provided a record \$1.1 billion for restoration efforts.

I was proud to join you and many of your colleagues in Florida to celebrate the groundbreaking of the embankment of the EAA reservoir, and that is a game-changing project for water storage ecosystem recovery.

But the momentum, though, while it is critical, we have to keep our foot on the gas and ensure that we have steady, reliable funding to complete these projects on time.

So from your perspective, how important is it that we continue Federal investment in Everglades restoration? And what would sustained funding mean for the long-term success of those efforts?

General HIBNER. Yes, ma'am. This is the largest ecosystem restoration program in the world, and it is crucially important to the Nation. It is a natural resource that is important to everyone, not just in Florida, and it is vital that we continue to have the funding that we need to do the important work that is happening.

And we have had a lot of successes in recent years. There is a lot of momentum behind the goals that we have been trying to reach for a couple decades now. So the funding results in that continued success in the future.

Ms. WASSERMAN SCHULTZ. We are certainly hopeful that the President's budget reflects the real need to be able to continue that momentum, and that Congress will follow up, as we have in the past.

I also want to note a University of Florida study found that for every dollar spent on restoration of the Everglades generates at least \$4 in economic benefits, and that supports industries like tourism, real estate, agriculture, while protecting our water supply in Florida and reducing costly storm damage.

And as you noted, Everglades restoration, this is America's Everglades even though it is situated in Florida. It is a very significant ecosystem that has incredible biodiversity.

Mr. Chairman, I will reiterate our invitation again for you to join us in south Florida and bring the committee down, with Ms. Kaptur, to tour the Everglades and the project. It is really a sight to see.

And so, with that in mind, can you speak, General, to the long-term cost savings and economic benefits of continued Federal investment in Everglades' restoration? And how do projects like the EAA reservoir and stormwater treatment areas reduce long-term Federal spending on things like disaster recovery, water treatment, and flood mitigation?

And then I will turn to the chairman for a response to our invitation.

General HIBNER. Yes, ma'am. It is vital to the Nation. It is not only one of the most vast water resources in the United States. It provides the ability for us to sustain life in southern Florida. And a lot of the structures that we rely on to support the communities in southern Florida are relying on the proper movement of water through the Everglades.

So the continued maintenance, especially of some of these very aged structures that were built in the 1940s, 1950s, 1960s, it is all becoming more and more vital as the population growth in Florida continues to increase and our ability to control the water becomes more challenging.

So the continued investments can't be overstated, in my opinion.

Ms. WASSERMAN SCHULTZ. Thank you.

And Mr. Chairman, you know, it is not a tongue-in-cheek suggestion. We have had really nearly every chairman, along with the ranking member, come down to take a look at the Everglades restoration project, and we would really love to have you come down so you can take a look at it.

Mr. FLEISCHMANN. Well, I can unequivocally state that the Everglades has no stronger champion than Ms. Wasserman Schultz. I thank you for the invite.

And I will say this. The Everglades are a national treasure, and I appreciate your advocacy there. I know you were joined, actually, by members on my side of the aisle who have the same affinity for that. So we will certainly look at that.

We have not really taken a water trip, to my knowledge, per se. And as Ms. Wasserman Schultz knows, I spend a lot of my time on the energy side. But I will look forward to that and try to work that into our very busy schedule and, of course, would welcome the ranking member to go. She is a great hero for our Great Lakes, and I think all of them, not just Lake Erie.

So thank you for the invite.

Ms. WASSERMAN SCHULTZ. As we say, come on down.

Mr. FLEISCHMANN. Come on down. Thank you.

And at this time, in concluding this hearing, gentlemen, thank you. Again, I began with a very strong and fervent thank you for your service to our country and that continues.

Thank you for the way that each and every one of you have conducted yourself in this hearing. It is not easy doing the job and the task that you have got.

So, again, from the chairman, I sincerely thank each and every one of you for what you are doing, what you are trying to do, and wish you sincere success not only for yourselves but for our great Nation.

And with that, I thank you.

And we will close this hearing.

[Whereupon, at 11:34 a.m., the subcommittee was adjourned.]

QUESTIONS FOR THE RECORD
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT
AND RELATED AGENCIES
U.S. HOUSE COMMITTEE ON APPROPRIATIONS

**Oversight Hearing – State of the Civil Works Program
the U.S. Army Corps of Engineers
Tuesday, February 25th, 2025**

Subcommittee Questions

1. **Measuring Success**

To: Lieutenant General Graham

During the hearing, you were asked what metrics you have or are planning to put in place to measure success. You highlighted the need to improve on-time percentage to well above 80% and otherwise safely deliver quality projects on schedule and within budget. These are important objectives. However, it will take time to reach these goals, and progress is not always linear.

Question: What process are you implementing to isolate variables, and what quantitative metrics will you use to judge progress in the interim?

RESPONSE: The Corps publishes annual Civil Works execution guidance, which establishes project delivery performance metrics, through a Revolutionize Performance Monitoring (RPM) framework. The Corps does have a schedule performance metric that covers all ongoing construction projects both in the Construction and the MR&T accounts. One of the metrics specifically focuses on “Percent of Implementation Milestones on Schedule.” This metric compares HQ-identified milestones in the current schedule to a baseline schedule that we call the project’s performance measurement baseline (PMB). This metric only tracks schedule performance; it does not track a project’s cost against the initial project authorization.

Within the RPM framework, the Corps also monitors three financial performance metrics: current year-to-date; future (current fiscal year +1); and at completion costs. The Corps monitors both schedule and financial metrics, on a monthly basis, to track performance against the plan (baseline); identify cost and schedule variances early; and support proactive management and decision-making.

Question: Put differently, there may be unintended consequences to solutions implemented today, and there may be contributing factors that have not yet been identified. How will you know when a course correction is needed for the “get-right” plan and how will you identify what such a course correction will entail?

RESPONSE: Part of the RPM metric framework is a matured change management process, requisite for project life cycle performance management and control. This framework relies upon developing, managing, and controlling schedules according to a “Performance Measurement Baseline” established for each project. Rigor in project management, use of the data tools and established delivery metrics, and a disciplined change management process can be used to demonstrate when a course correction may be needed on a project. The Corps continues to build and learn from its automated information systems by tracking “milestone deviation,” which explains why certain project schedule milestones were missed and/or delayed. This data will be integral as the Corps continues to evolve its RPM framework in developing more predictive tools.

2. **Confidence in Cost Estimating**

To: Lieutenant General Graham

As you know, since June 2021, Chief’s Reports have included some discussion of an 80% confidence level in the cost estimates based on the amount of contingency included.

Question: What processes do you have in place to measure actual construction costs against the 80% confidence level for those projects that include such discussion in their Chief’s Reports?

RESPONSE: The Corps has many checks and balances in place to detect and measure early cost and schedule risks for authorized projects. All Civil Works projects must have a baseline cost estimate. As part of this baseline, estimates include risk-based contingencies developed through a cost and schedule risk analysis. This analysis is based on the entire Project Delivery Team’s (PDT) input, including the non-Federal sponsor.

If the Corps expects that a project’s cost will increase significantly after original authorization, the Corps implements Change Control Board (CCB) management practices. The PDT follows the CCB process for required approvals and notifications to the leadership at the District, Division, and Headquarters levels.

As construction begins, the district PDT tracks the costs of each awarded contract against the assumed cost in the estimates that the Corps provided for the Chief’s Report. Furthermore, the Corps has a rigorous Agency Technical Review (ATR) process for all aspects of engineering, technical and project costs throughout the lifecycle of the authorized project. Corps districts also update the total construction cost for each active project every two years. This includes project cost certification by the Walla Walla Cost Engineering Mandatory Center of Expertise.

Question: When projects fail to deliver within this cost estimate, does the Corps have a process for isolating and quantifying the contributing factors in each instance?

RESPONSE: Yes, the Change Control Board (CCB) management process, which is used at the District, Division, and Headquarters level, applies rigor and oversight for all Civil Works projects when the project’s costs are forecasted to exceed the total authorized project cost. The CCB

examines projects in detail to identify root causes and to review the plans going forward to responsibly manage risks. Where appropriate, a PDT can prepare an After-Action Report that goes into considerable detail on contributing factors that resulted in a cost estimate change.

Question: Does the Corps currently have a process for applying these lessons learned to the model used to generate that confidence interval or determine the extent to which cost escalations may relate to a failure in the model itself? If not, is there a plan to implement measures of this nature?

RESPONSE: The Corps is tracking lessons learned through CCB briefings as well as detecting and documenting common issues that cause the authorized project's cost to grow. The introduction of the Technical CCB review meeting has resulted in increased attention to these matters and is used to gather data that is transmitted to other teams through newsletters, webinars and other training events. The Corps' Cost and Schedule Risk Analysis (CSRA) process includes a checklist of common risks to consider when creating an original or updating the model. This checklist, best practices, and CSRA templates are updated annually by the Cost Center of Expertise. Additionally, the Corps issues a monthly newsletter where trends are highlighted - both controllable and uncontrollable - which may inform an update to the contingency models between formal updates to the checklist.

3. **Managing Risk**

To: Lieutenant General Graham

In some ways, the entire discussion around recent cost escalations and schedule delays boils down to the right way to manage risk at the right stages in the process. We often think about these risks in terms of "known" and "unknown" unknowns. Failure to address known unknowns is unacceptable.

Question: What are the common "known unknowns" that introduce the most cost and schedule risk into construction?

RESPONSE: The most common "known unknown" risks that are potentially controllable concern the extent of geotechnical exploration, surveys, and hydraulics and hydrology modeling performed during the feasibility phase. When the Corps shortened the study phase of its project planning process, it often deferred some of this analysis to the pre-construction engineering and design stage, or to the construction stage. The Communities of Practice for these disciplines continue to push forward lessons learned from projects where cost growth has been observed.

In addition, for many projects, securing necessary land rights can exceed the initial Corps estimate of the costs, particularly when projects require acquisition from multiple landowners, involve relocations, or affect properties with legal encumbrances. Non-federal sponsors' ability to acquire Lands, Easements, Rights-of-Way, Relocations, and Disposal Areas in a timely manner is critical, yet can be constrained by legal, financial, or administrative hurdles. Additionally, projects requiring coordination with Tribal Nations, state agencies, or private entities face further complexities in negotiating easements and resolving jurisdictional concerns.

Environmental compliance, including coordination under the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and Clean Water Act, can also exceed the initial Corps estimate of the costs, particularly when projects require extensive mitigation efforts or involve sensitive ecosystems. Unanticipated findings during environmental review, such as the

discovery of protected species or the difficulty of identifying suitable habitat for restoration, must be resolved before construction can proceed.

Question: What specific steps does the Corps need to take this year, so the construction projects authorized in a 2026 Water Resources Development Act do not carry these unacceptable risks into the construction phase?

RESPONSE: The Corps' Communities of Practice are focusing on sharing lessons learned enterprise-wide to improve awareness on managing risks. Further, the Corps has established a technical lead community of practice to ensure that its leaders at the project level are tracking these issues and are ensuring that risks are both identified and managed. Quality Risk Indicators have been set up to support the design process and ensure that quality risks are identified by the individual project delivery teams to allow these to be managed at the project level and receive vertical alignment and command attention. This makes any risk acceptance at the local level more visible to the vertical team.

Question: While the universe of unknown unknowns is not in your control, what improvements can the Corps make to mitigate for them?

RESPONSE: The Corps can mitigate some of these unknown unknowns by including technical subject matter experts during the feasibility phase and the construction phase. Their expertise gained from similar projects plays a key role in identifying some of these "unknown unknown" risks during the Cost and Schedule Risk Analysis and the project Risk Register development. An enterprise risk register has been developed to make risks on projects more transparent earlier in the process. Continued tracking of "unknown unknowns" that occur on a project can move some of these into the "known unknown" categories or potentially allow the Corps to perform additional work that may be able to move issues into the "known known" category.

4. Responsibilities of Division Commanders

To: Major General Quander, Brigadier Hibner, Colonel Handura, and Colonel Walter

Question: What role can Division Commanders play in setting Districts up for success and preventing the major execution challenges at the center of this hearing?

RESPONSE: Division commanders lead the districts' execution of the program through executive direction and management functions. The following are some examples of how the Great Lakes and Ohio River (LRD), South Atlantic (SAD), South Pacific (SPD), and Southwestern (SWD) divisions are setting districts up for success and addressing execution challenges.

- Project Scoping/Design Maturity - In accordance with Corps guidance that clarifies the design-maturity requirements for cost estimating, division commanders reinforce with the districts that all feasibility studies will require a Class 3 maturity before the costs are certified and the study goes forward to a Chief's Report.
- Staffing/Manpower – Operate and leverage the Regional Business Center approach to allow resource leveling between districts for both manpower and expertise in conjunction with the Centers of Excellence and Communities of Practice. Additionally, division commanders have assigned teammates who have worked on similar projects from throughout the Corps to review the scope required based upon their experience to

inform the end-products. These efforts will lead to risk-informed estimates with appropriate contingency applied at a project's authorization and not calculated iteratively over the design and construction phases funded in the Construction account.

- Effective technical and policy oversight – Require rigorous oversight for large, high-visibility, and complex projects by involving staff and officials from across the organization with the requisite expertise to help make informed decisions and mitigate challenges. This includes holding district commanders accountable for incorporating explicit cost and schedule contingencies into project management, along with corresponding change control authorities, to ensure effective project governance.
- Stakeholder Engagement - Engage regional stakeholders early and often to strengthen relationships and accelerate decision-making, as well as to ensure that real estate requirements are known, and issues are addressed as early in the process as possible.

Headquarters has issued guidance clarifying the design-maturity requirements for cost estimating, and Lieutenant General Graham has made several changes in an effort to elevate engineering within the organization.

Question: Please describe 1-2 specific process changes you have established for your teams or the Districts to implement any related directives from Headquarters.

RESPONSE: Following Headquarters directives, divisions have made process changes to use the Corps' Automated Information Systems and data analytics in regular executive governance meetings. This practice allows the Corps to quickly identify and address project schedule, scope, and cost challenges as well as to evaluate progress on the commitments made.

In the Great Lakes and Ohio River Division, leaders monitor common operating picture dashboards and receive monthly briefings on the status of activities and plans to improve execution in accordance with commitments. The South Atlantic Division has implemented a monthly Executive Risk Oversight Committee (EROC) process and Division Progress Review meetings for large and/or complex studies, projects, and programs to oversee and mitigate risks. EROCs are led by and comprised of division senior staff with participation from Corps Headquarters, the Office of the Assistant Secretary of the Army for Civil Works, and briefings by the division and district staff. Cost, schedule, quality, and scope are reviewed with a focus on program delivery. The South Pacific Division is also using data analytics in support of getting the business right and to better inform the commitments made. The Southwestern Division utilizes live data to ensure that discussions and decision-making are informed by the most current and accurate information.

Further, increased use of data analytics and regular governance meetings provide training/mentoring opportunities for district, division, and Headquarters leadership and staff. Divisions and districts can share best practices and approaches to certain types of issues, leveraging expertise across the enterprise.

Question: Aside from implementing directives from Headquarters, what are 1-2 specific process improvements Division Commanders can implement under their own authorities and prerogatives to advance General Graham's vision?

RESPONSE: Division commanders can share resources across the Corps enterprise to optimize the response to both planned and unexpected requirements. This approach enables the Corps to assign staff from across the Division to address requirements and challenges that are within their areas of expertise. In the South Pacific Division, for example, the focus has been

to get the Project Delivery Team (PDT) right. SPD has implemented a deliberate, detailed workload-workforce leveling process with 3-5 outyear planning, and ensuring competency, capacity and balance assessing PDT readiness.

To drive project and program execution and foster a culture of rapid issue resolution, the Corps will continue to implement and improve processes that proactively identify and elevate critical decisions for resolution. The South Atlantic Division requires districts at workload capacity to obtain division commander approval before taking on additional unprogrammed work. Some districts have a tremendous workload from regularly appropriated and supplemental programs, while other districts have capacity to take on part (e.g., engineering support) or all of a project.

Ranking Member Kaptur

5. Soo Locks

To: Maj General Quander, Lt General Graham

The Soo Locks are a prime example of investments that will turbocharge our economy and assure the resiliency and efficiency of our maritime transportation system. However, the project has experienced significant cost escalations and delays. In 2019, the Corps estimated that the total project cost would be \$922 million. Last year, the Corps estimated the total project cost at nearly \$2.9 billion. That is a tripling in cost.

Question: General Quander, what caused these significant cost increases and what steps are being taken now to ensure there are no further cost increases to the project?

RESPONSE: This project has experienced two significant cost increases. The Corps issued post-authorization change reports for this project in 2018 and 2022.

From 2018 to 2022 the project cost increased by \$2.187B (Fully Funded Project Cost increased from \$1.031B to \$3.218B). The project has not experienced cost growth since 2022.

While there were many factors that lead to the 2022 cost increase, the most significant increases were due to design modifications (+\$306M), varying market conditions (+\$371M), changes in estimate assumptions (+\$377M), and cost contingency (+\$406M). From 2018 to 2022 the project progressed significantly with the design of the overall project maturing from 35% to 95% and the award of over 90% of the required construction. Over 90% of the required construction is under contract with locked in pricing.

A significant level of construction cost contingency was included in the 2022 authorized project cost to ensure no further cost increases on the project. The level of contingency was based on a thorough update of the project's risk register. The risk register identifies potential cost and schedule risks, such as encountering differing site conditions, labor shortages, water infiltration through cofferdam, etc., and evaluates impacts as well as probability of occurrence to determine the appropriate level of contingency. The 2022 authorized project cost included \$674M in contingency to cover these risks if or when they materialize.

Encountering a differing site condition, such as discovery of an underground oil tank or an unidentified foundation, is one of the most significant risks identified in this project's risk register. This project has a high likelihood of differing site conditions because the new lock chamber is being constructed within the footprint of a 100-year-old existing lock chamber. The thorough update of the project's risk register in 2022 allowed for proactive identification and potential mitigation of cost and schedule risks. Thus, differing site conditions should not result in cost growth, they are accounted for in the construction contingency portion of the 2022 authorized project cost.

An addendum to the project's risk register is a joint risk register developed with the New Lock Contractor. This joint risk register is updated on a monthly basis with the contractor and allows for risks to be proactively identified and mitigated to minimize cost and schedule growth.

Question: General Graham, what has the Corps learned from this project and how is it applying those lessons across the enterprise?

RESPONSE: The Corps focuses on assessing and truly understanding the causes of the cost increases on this and other projects. A key summary of the lessons learned for the Soo Locks project include:

- A. Establishing an Integrated Project Office (IPO) for district integration that reports directly to the Command Team: The IPO structure provides a team focused solely on the mega project's delivery with all district senior leaders playing an active role in project delivery.
- B. Mega Project Governance Structure: Continued implementation of the project's vertical governance structure has ensured that changes and issues are raised to the appropriate decision level authority in a timely manner and open lines of communication are maintained.
- C. Cost and Schedule Risk Assessments (CSRAs): Continue to update and utilize CSRAs to identify top cost and schedule risks, allowing the team to focus efforts on addressing the most impactful risks.
- D. Utilizing technology and integrating research and development: 3D design tools, virtual reality, and the Engineer Research Development Center's Ship Simulation Study have all reduced design risk and improved design quality.
- E. Joint Risk Register: The Corps and the New Lock contractor developed a Joint Risk Register updated monthly to identify opportunities for risk mitigation.
- F. Sharing Lessons Learned: Project leadership has hosted several other Corps Mega Project teams on-site and virtually to share lessons learned. The Detroit District leadership team briefed both regional and national level leadership across the enterprise on the governance structure, root causes for cost increases, lessons learned, and best management practices. The designer of record and technical lead at the Inland Navigation Design Center has shared the lessons learned with colleagues on other mega projects.

In September the Secretary of the Army's office submitted to the Under Secretary of Defense for Personnel and Readiness an Army Corps of Engineers request to establish a Special Salary Rate Table for lock and dam operation and maintenance personnel at the Soo Locks in

Michigan. These workers have seen their pay raises cut in half due to a quirk in civilian personnel pay rules and an earlier transfer of an Army Corps lock to Wisconsin. These workers are leaving their jobs for better paying opportunities and the 19% lower wage table impedes the Corps from being able to hire qualified new workers. This is jeopardizing the Corps' ability to operate and maintain this vital economic and national security asset.

Question: General Graham, what is the status of this special salary rate request?

RESPONSE: As of the time of this hearing, the request for a special salary rate for these employees is before the Under Secretary of Defense for Personnel Readiness.

6. Brandon Road

To: Lt General Graham

The Brandon Road project is aimed at arresting the economic and environmental damage unleashed by invasive carp species that will exterminate local and regional native fish and aquatic species. It's vital that the Brandon Road project proceed in a timely manner with the funding commitments and actions agreed upon by all partners at the federal and state level.

Question: This project has struggled with delays due to negotiating the necessary agreements among the Corps and multiple non-Federal sponsors. How is the Corps providing transparency and certainty to the non-Federal sponsors that the Corps will meet its obligations?

RESPONSE: The project is underway. The Corps executed the project partnership agreement (PPA) with the State of Illinois and the State of Michigan in July 2024 and awarded the first construction contract (site preparation) in November 2024. The Corps can solicit bid for the next increment of work once the State of Illinois transfers the necessary real estate to the Corps, as outlined in the PPA.

The Corps engages with the non-Federal sponsors in every step of the way through multiple levels of governance with associated recurring meetings, biannual in-person partnering meetings, and quarterly newsletters and webinars. The Corps is also required to coordinate with non-Federal sponsors if there are any changes in project scope/schedule/cost.

Question: This project was estimated to cost \$830 million in 2021. After additional engineering and design work, its latest cost estimate is \$1.1 billion. How is the Corps improving its initial cost estimating and its engineering and design process?

RESPONSE: The Corps records show an estimated total project fully funded cost in 2019 of \$1.007 billion. In 2023, the updated total project fully funded cost was \$1.146 billion, a growth of approximately 14% through a significant period of inflation.

The Corps is improving its initial cost estimating and its engineering and design process for the Brandon Road project by exploring value engineering opportunities while advancing design of the various project features. Value engineering opportunities are being realized as the design is maturing through use of applied research and development efforts and regular engagements with the Coast Guard and navigation industry. These research efforts have been conducted in laboratory as well as large-scale field testing, which allows the Corps to identify economies of scale and have confidence in performance under real-world conditions. In addition,

engagements with the Coast Guard and navigation industry have helped test and design an engineered channel of the Brandon Road project in a more cost-effective way.

7. Ohio Harbors and Beneficial Use of Dredged Material

To: Maj General Quander, Lt General Graham

The Great Lakes navigation system is an important waterborne transportation network, stretching 2,400 miles through all five Great Lakes and reaching deep into the continent to provide benefits to the region and entire country. One critical issue to Ohio harbors is the beneficial use of dredged materials. However, there have been continuous challenges for increased beneficial use projects in Lake Erie and other areas, particularly regulatory delays and cost sharing disparities.

Question: General Quander, what concrete steps are you taking to address lengthy permitting timelines for beneficial use projects and dredge material disposal sites in Lake Erie?

RESPONSE: The Corps is developing Dredged Material Management Plans for each federally maintained Ohio harbor on Lake Erie. These documents identify the project purpose and timelines associated with beneficial use projects and dredged material disposal sites, a key requirement for a permit application. The Corps is communicating frequently with the State of Ohio and encouraging the use of pre-application meetings to gain mutual understanding of the requirements for a complete application. A partnering meeting is scheduled with the State of Ohio in April, which will serve to enhance communication and understanding. For dredge material placement and beneficial use permit applications, or any permit applications, the Corps generally aims to reach a decision within 120 days of receipt of a complete application.

Question: General Graham, how are you ensuring the Corps is using every authority possible to streamline the development of disposal facilities – such as broadening the application of part 337 since the regulation already states that it includes [quote] “related activities of local interests accomplished to ensure continued functions of constructed Corps projects” [unquote]?

RESPONSE: There are two authorities under consideration:

- A. Dredged Material Management Plans consider alternatives for a dredged material disposal facility, assessing all environmental compliance requirements. If such a facility were included as part of a recommended plan, the Federal government could enter into a Project Partnership Agreement with the non-Federal sponsor under Section 217(c) of the Water Resources Development Act (WRDA) of 1996, as amended, to partner on design and construction of the disposal facility. Currently, the Corps is developing Dredged Material Management Plans in conjunction with the respective non-Federal sponsors for commercial harbors in Ohio.
- B. If a dredged material disposal facility was pursued outside of the Dredged Material Management Plan as a non-Federal project, regulatory permit requirements and procedures would need to be followed per 33 CFR Part 337.

8. **St. Mary's River**

To: Lt General Graham

The 2024 WRDA authorized the Corps to study fixing the dual depth portion of the St Mary's River navigation channel so that the entire channel is at the same depth. The current situation presents a risk to navigation when deep draft vessels can be pushed against the rocky ledge of the shallow side of the channel by shifting ice flows, risking oil spills and imposing significant repair costs on vessel operators.

Question: When will the Corps request funding to commence this study?

RESPONSE: This study is eligible for consideration for funding, along with the other programs, projects, and activities across the Nation that are competing for the available Federal resources.

9. **Project Engineering**

To: Lt General Graham

In the hearing, Chairman Fleischmann stated that the Corps had "all but abandoned engineering design in feasibility" studies and as a result, the Corps was "designing the plane as we are flying it."

Question: In your opinion, what are the primary factors that led to the Corps effectively abandoning engineering design in feasibility studies?

RESPONSE: In many cases, the difficulties that we face in developing an initial reliable cost estimate reflect insufficient design maturity at the feasibility phase. When the Corps shortened the study phase of our process, it sometimes deferred critical engineering analyses — such as geotechnical data collection, site surveys, and hydrology and hydraulics (H&H) modeling — to the pre-construction engineering and design, and to the construction stages. This deferral can lead to unforeseen changes in project scope and costs.

The Corps works within the expected time frame for the feasibility study. Our planning teams provide a level of data and analysis that is commensurate with the scale and type of recommendations being sought to support an authorization to construct the project. During the Preconstruction Engineering Design phase, the Corps will work to develop engineering plans and specifications in support for the construction phase of the work.

Question: What resources do the Corps need to correct this problem?

RESPONSE: The Corps has all the tools that it needs and will continue to implement them going forward.

During your testimony, you stated that the Corps' "cost estimates must be based on sufficiently mature engineering designs, at least 35%."

Question: Is this the recognized industry standard for developing cost estimates for complex projects or does the industry standard utilize a higher percentage of design maturity? If the industry standard is higher, what is that standard?

RESPONSE: There is an industry standard for design maturity and cost classification for vertical construction, such as a building structure in a discrete location, set by the Association for the Advancement of Cost Engineering International (AACEI) in its Recommended Practice RP56R-08; the cost classification varies by the design maturity, which is the driver.

There is no such industry standard for horizontal construction with regard to cost classification, design maturity, or contingency percentages. Civil Works projects mostly involve horizontal construction (such as a levee that may extend over miles). In this sense, the Civil Works program is unique. Engineer Regulation (ER) 1110-2-1302, Civil Works Cost Engineering, Table 1, which is based on RP56R-08, defines the design maturity and cost classifications. A Design Maturity of 10% - 60% is required to develop a Class 3 estimate for Civil Works projects and is the recommended design maturity. The exact design maturity needed to get to a Class 3 is dependent on the complexity of the work; many projects need more than 10% but can get to a Class 3 cost estimate with less than 35%.

During your testimony you stated that the Corps has "allowed projects to be authorized with engineering well, well below that 35% threshold. In these instances, it wasn't so much the cost of increased rather, it was that our initial estimates were way, way too optimistic."

Question: In your opinion, what are the primary factors that resulted in the Corps recommending authorization of projects with cost estimates developed on the basis of engineering designs below the 35% engineering design threshold?

RESPONSE: While more design maturity is always better from a cost definition point of view, there is a point of diminishing returns, where the increased information provides less benefit to reducing the risk of cost growth. The challenge is getting both the engineering right and having the right amount of rigor on the cost engineering estimate. For many projects, particularly large and complex studies, this resulted in less cost fidelity than was needed to better control cost increases in the estimates. The cost estimates were successful in selecting between alternatives during feasibility, but were more challenging for a commitment to cost that would last through the end of construction.

Congressman Simpson

1. Little Wood River and Procurement Strategies

To: Lieutenant General Graham.

Since early in my congressional career, I've worked to secure funding for the rehabilitation of the river walls in the Little Wood River in Gooding, Idaho. First authorized in the Water Resources Development Act of 2007, it took some time to get funding for this project, but I was able to do so in the fiscal year 2024 energy and water appropriations act. However, the project was nearly not eligible for funding in that bill, after delays in the schedule affected the Corps' capability in fiscal year 2024. In the later stages of project planning, the Corps moved from a design-bid-build structured contract to a design-build structure. Had the Corps not made the decision to do so, there's a very real chance we would have missed an opportunity to secure funding.

Question: Do you believe the Corps could think differently about when to pursue a design-build structured contract compared to a design-bid-build contract?

RESPONSE: There are several factors the Corps explores to determine the best acquisition strategy for a project. These factors include, but are not limited to, technical complexity, dollar value, the extent of innovation, and how well-defined the project is.

Design-bid-build contracts are most often used in Civil Works operation and maintenance, military, and interagency projects, where the requirements are better defined. Design-build is generally more suitable when the project is complex and requires innovation from industry, or when the government lacks in-house design expertise.

Question: Are there ways the Corps might be able to identify earlier when a given contract structure won't work for a specific project?

RESPONSE: Ensuring a comprehensive understanding of the project's scope, goals, and deliverables is essential. Understanding risks such as real estate and project complexity earlier in the process can help identify the best contract structure for a project.

2. **Limited Competition Environments**

To: Lieutenant General Graham

As it stands now, the Corps just passed a significant design milestone for the Little Wood River project and is getting closer to awarding the contract. I am aware of cases where market conditions and limited competing contractors can make it hard to award a contract when the Corps is ready to, at the funded amount.

Question: What steps is the Corps taking to mitigate for market conditions and limited competition environments in instances where they may impact the ability to award a contract?

RESPONSE: The Corps took a proactive approach early in the acquisition effort to ensure that market conditions were well understood by the government, so that cost estimates would be better informed and contract award costs could be accurately estimated. The methods employed include:

1. Early Industry Engagement – Conducting thorough market research, including hosting an Industry Day where a draft specification was provided for comments and in-depth discussion with interested and capable offerors about market trends and risks. Industry Day resulted in a significant response and nine requests for company one-on-one meetings.
2. Enhanced Outreach – Actively engaging with small business concerns to expand the pool of potential contractors and seek input on possible teaming arrangements.
3. Adapting to Market Shifts – Continuously monitoring market trends to best inform cost estimates and adjusting strategies accordingly to reflect known costs within a quickly changing marketplace, to include identifying risk associated with changing market conditions regarding areas such as labor shortages, material availability, site access concerns, and risk calculations.

Congressman Levin

1. California Water Releases

To: **Lieutenant General William H. “Butch” Graham, Jr.**, *Chief of Engineers and Commanding General, U.S. Army Corps of Engineers*

On Friday, January 31, 2025, the Army Corps dramatically increased the amounts of water flowing from Terminus Dam at Lake Kaweah and Schafer Dam at Lake Success, with little coordination or advance notice for local authorities.

Question: During the hearing, you were unable to answer what happened to the water after it was released from the dams. President Trump’s Executive Order (E.O. 14181) on California water falsely linked statewide policies to the recent wildfires in Los Angeles. However, reporting indicates that the water that the Corps released—after the wildfires were contained— did not reach Los Angeles, and that much of the water instead was left to evaporate. What exactly were the objectives of these water releases, and why did the Corps do these water releases when it did?

RESPONSE: The Corps increased water releases from Terminus and Schafer dams starting on January 30, 2025, and returned to prior outflows on February 2, 2025. The additional water released was from the flood pool.

On January 30, 2025, I tasked the Sacramento District (SPK) commander, through the South Pacific Division commander, to release water within his authority from Success Lake and Lake Kaweah. The Corps notified the Tule River and Kaweah River watermasters, as well as representatives for the Tulare Lakebed. The Corps also notified the California Department of Water Resources and the U.S. Bureau of Reclamation.

Question: What specific steps did the Corps take in advance of the releases to coordinate with state and local government officials, local water managers, agricultural stakeholders, and public safety officials, including any parties who were contacted prior to the releases and when they were contacted?

RESPONSE: The Sacramento District Water Management Team (WATMAN) initiated release protocols by notifying the respective Water Masters. (Contacts included the Kaweah River Water Master, the General Manager of the Lower Tule River and Pixley Irrigation Districts, and the Water Department Manager for J.G. Boswell Company). These conversations started at approximately 2 p.m. on January 30, 2025, with the first release change at 6 p.m. that day.

WATMAN contacted the respective Water Masters in accordance with standard protocol when making any release changes. When Operations Division received notification of the water releases at Schafer and Terminus, the Operations Project Manager at Schafer Dam reached out to the Tulare County Sheriff Porterville Substation to let them know the Corps was planning a release of 3,200 cfs. The Deputy Operations Project Manager at Terminus reached out to the Tulare County Sheriff in Visalia to let them know Terminus was planning a release of 5,500 cfs. These notifications were communicated two hours in advance of the planned release. Notification to the offices of the Sheriffs is standard for these types of releases.

Additionally, the Commander of the Sacramento District notified the U.S. Bureau of Reclamation, Region 10 Director Karl Stock, and the California Department of Water Resources Director Karla Nemeth, of the pending release at approximately 3:30 p.m. on January 30, 2025.

In response to stakeholder concerns regarding possible flooding concerns, the releases were lowered in coordination with the local watermasters.

The following table outlines the actual releases that occurred from January 30 – February 2, 2025.

Dam	Date	Time	Release Changes
Schafer	January 30, 2025	6 p.m.	Increase releases from 50 to 100 cfs
	January 31, 2025	5 a.m.	Increase releases from 100 to 500 cfs
	January 31, 2025	6 a.m.	Increase releases from 500 to 1,000 cfs
	January 31, 2025	1 p.m.	Decrease releases from 1,000 to 750 cfs
	February 1, 2025	6 a.m.	Decrease releases from 750 to 500 cfs
	February 2, 2025	11 a.m.	Decrease releases from 500 to 250 cfs
	February 2, 2025	12 p.m.	Decrease releases from 250 to 50 cfs
Terminus	January 30, 2025	6 p.m.	Increase releases from 5 to 50 cfs
	January 31, 2025	4 a.m.	Increase releases from 50 to 500 cfs
	January 31, 2025	5 a.m.	Increase releases from 500 to 1,000 cfs
	January 31, 2025	6 a.m.	Increase releases from 1,000 to 1,500 cfs
	January 31, 2025	5 p.m.	Decrease releases from 1,500 to 900 cfs
	February 2, 2025	11 a.m.	Decrease releases from 900 to 500 cfs
	February 2, 2025	12 p.m.	Decrease releases from 500 to 250 cfs
	February 2, 2025	1 p.m.	Decrease releases from 250 to 3 cfs

Question: What assurance can you give us that the Corps will follow established flood safety rules, as outlined in Chapter 5 of the water control management manual ([ER 1110-2-240](#)) with regard to communication and coordination with stakeholders and the general public, if you have a future Executive Order that is in contradiction with those processes?

RESPONSE: The Corps will continue to follow communication and coordination protocols with stakeholders and the public.

Congressman Cloud

1. Mississippi River and Tributaries FY 2025 Disaster Relief Supplemental Appropriations

To: General Graham

The Louisiana Congressional Delegation worked on a bipartisan basis, to achieve \$50 million of funding for Mississippi River and Tributaries (MR&T) within the FY 25 Disaster

Relief Supplemental Appropriations funding measure, HR 10545 (PL 118-158). As you know, in the context of the FY 25 Disaster Supplemental, the Army Corps of Engineers demonstrated capability for \$689 million related to 2024's impact to the Morganza to the Gulf of Mexico project during Hurricane Francine.

Question: We appreciate the Corps had their own request for MR&T disaster funding, so I am asking if you could please share with our Congressional Delegation how much of the \$50 million provided to MR&T is intended to protect our constituents in SE Louisiana by advancing the Morganza project - appreciating that the expressed needs were nearly 14 times the total funds provided?

RESPONSE: As of the date of this hearing, the allocation of this funding is under review.

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