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Army Chief of Engineers Looks to P3S for Nation's Water Infrastructure Needs.

The Army Corps of Engineers (USACE) is looking at new ways to finance the essential civil works infrastructure on U.S. waterways, including public-private partnerships according to Lt. Gen. Thomas Bostick, the agency's commanding general.

"We can only do so much through process efficiencies. We're going to have to work together in public-private partnerships to find some alternative financing means that come from outside the federal government," Bostick told reporters last week.

Some Corps projects have an identifiable revenue stream. The Corps currently collects fees on shipping companies that use deep-sea ports and inland waterways. However, projects such as levees do not have an obvious revenue stream, according to Bostick.

"We have to find a way to monetize the things we want the private sector to invest in," Bostick said. "At the end of the day, they need to make a profit, and we have to find ways to set up long-term contracts that will allow them to accrue benefits based on the investments they make."

Bostick's comments come as the Corps faces a backlog of \$60 billion in recapitalization projects, according to a 2013 review. That same year, the American Society of Civil Engineers issued a grade of a D- to the network of 15,000 miles of levees and infrastructure along the thousands of miles of inland waterways in the United States. Hydro-power dams earned a modestly higher grade of D.

"The infrastructure is slipping in its ability to deliver consistent and reliable services," Bostick told Federal News Radio. "Since 2000, we've had a 50 percent increase in the downtime of our hydroelectric equipment. Since 2009, delays and interruptions have more than doubled on our inland waterway locks and dams. And 16 percent of our dams are categorized as 'extremely' or 'very high' risk, which increases the urgency for dam safety work."

Congress funds the Corps' recapitalization projects at around \$2 billion per year. But even as the Corps continues to focus on the nation's highest priorities, the projects it is working on this year will require an additional \$23 billion to complete.

"That gives you some idea of how long our current projects will take at the pace we're getting appropriations," he said.

By Editor July 1, 2014