

SFEER CASH FLOW ASSUMPTIONS

GENERAL ASSUMPTIONS:

- This cash flow portrays Federal Corps dollars for all MISP phases i.e. PIR, RE, P&S and construction.
- Yellow book costs were used as basis for each project's total estimated cost, unless Authorized by WRDA 2007 or a decision document has gone public. Those projects where costs have been updated to reflect current PIR information are: IRLS, Picayune, Site 1, Broward WPA, and C-43. LOW also reflects the updated \$1.5B.
- Yellow Book costs have been price leveled using the OMB inflation indices provided yearly from OMB. In the period from 2000- 2007 the average of class 1 (labor) factor was 4.8%. The average class 2 factor (contracts) was 2.3%.
- The current cost has then inflated, based on schedules, to reflect the fully funded cost. The fully funded cost will inflate labor dollars for the life of the project. The construction contracts are inflated to the scheduled midpoint of construction as a best estimate, since there is no need to inflate once a contract has been awarded.
- The numbers reflected in this cash flow are fully funded numbers. We generally do not provide these numbers in reports, however, this step is required in order to determine a realistic cash flow for out year purposes. As a comparison, the Report to Congress contained current day dollars, not fully funded.
- Start/finish dates were updated for CERP projects using active P2 schedules. Any projects not currently active in P2 were pushed out .
- The cash flow represents a linear spread of the dollars, required for obligation, based on duration. This would be equivalent to a spread of expenditures (contractor's earnings) in most cases. The Corps budgeting process has moved from a method of expenditures to a method based on obligations.
- The splash chart reflects calendar years and the cash flow reflects fiscal years.
- The following projects have multiple components where start/finish dates and durations were unavailable: LOW, NWC WCA 3A, ENP Seepage, NPBC Pt 1. Therefore, all components were assumed to run parallel and be of equal duration for this drill.
- The following projects are anticipated to have split PIRs: C-43, BBCW, C-111 SC. However, detailed information was unavailable so it was assumed that the construction schedules extended to span the entire life of project.
- Projects sequenced according to guiding principles, finalized at February TF meeting.
- Projects sequenced according to "finish what's on our plate".
 - Foundation projects are first priority.
 - Authorized projects with appropriated funds are second priority.

- Authorized projects are third priority.
- Projects will be sequenced so that restoration benefits are achieved at the earliest possible time.
- Sequence based on interdependencies of projects.
- Sequence based on cash interdependencies, i.e. cost share balance.
- Sequence based on availability of LERRDS.
- Assumption based on WRDA every 2 years.
- Cash flow scenarios will include a constant \$64M line item for CERP design.
- A separate cash flow scenario will be provided for the \$64M CERP design.
- Mod Waters estimated project cost is based on constructing alternative 3.2.2.a for Tamiami Trail and 50/50 cost share between DoI and Corps.
- FY09 budget reflects the President's budget.
- Cost sharing is assumed to be 50/50 overall on projects where specific information is not known.
 - Non-Expedited Projects:
 - PIR 50/50
 - RE 100% Non-Fed
 - P&S 100% Fed
 - Construction 100% Fed
 - Expedited Projects:
 - PIR 100% Fed
 - RE 100% Non-Fed
 - P&S 100% Non-Fed
 - Construction 100% Non-Fed
 - Other:
 - 100% Fed construction cost for Site 1; BCWPA; IRLS: C-23, 24, 25; Picayune
- Cash flow scenarios were then developed for \$200M and \$300M Federal funding.

\$200M Scenario

- \$64M of the \$200M will be budgeted for CERP design (includes Pilot projects, physical models and design tests).
- All foundation projects were budgeted first. They were based on the most current budget submitted to Congress, with the exception of MWD (which is based on the TSP).
- Projects in the blue color band were budgeted second. Broward was the last to be budgeted in this band because it is not authorized according to the approved PIR.
- Yellow and gray band projects are included in the CERP design line item.
- Projects in the pink color band were budgeted next.

\$300M Scenario

- \$64M of the \$300M will be budgeted for CERP design (includes Pilot projects, physical models and design tests).
- Foundation projects remained the same.
- Projects in the color bands were pulled forward in order to show being able to start construction at an earlier date, based on increased funding. Schedules (or duration of cash spread) were not manipulated. Realistic schedules remained.
- Projects in the white band were analyzed and included based on estimated completion of final reports and ability to get authorization. Those projects were included as follows:
 - Everglades National Park Seepage
 - Lake Okeechobee Watershed
 - DECOMP Pt1
 - DECOMP Pt 2
- Splash chart reflects carrying out projects thru 2018. Corps did not proceed on with making decisions on future project sequencing.