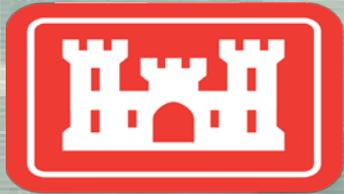


Efficient Funding IWTF Projects - Contingency Management

Inland Waterways Users Board
(Meeting No. 90)

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Funding Level	Definitions
Capability (paraphrased)	Funding, if provided in the applicable fiscal year, can be obligated (i.e., reserved at contract award) effectively and efficiently in that fiscal year.
Efficient (Programmatic Target)	Funding in addition to Critical Path funding that will reduce cost, schedule, or other risks. [Efficient funding provides flexibility in scheduling, fabricating, work flow, and materials acquisition.]



Efficient vs. Capability Funding Plan

TOTALS	FY20	FY21	FY22	FY23	FY24	TOTALS
Capability	455.6	259.2	213.9	90.0	88.3	1,106.8
Efficient	224.8	258.5	270.6	257.8	95.1	1,106.8
Lower Mon	FY20	FY21	FY22	FY23	FY24	TOTALS
Capability	59.0	15.0	37.0	-	-	111.0
Efficient	59.0	15.0	37.0	-	-	111.0
Kentucky Lock	FY20	FY21	FY22	FY23	FY24	TOTALS
Capability	307.7	96.1	148.9	48.8	61.5	663.0
Efficient	73.5	172.0	168.6	179.6	69.3	663.0
Chick Lock	FY20	FY21	FY22	FY23	FY24	TOTALS
Capability	88.9	148.1	28.0	41.2	26.8	332.8
Efficient	92.3	71.5	65.0	78.2	25.8	332.8

Note: All funding levels include full contingencies.



LRD Base plus (+) Options contracts

- Current procedure:
 - ▶ LRD fully funds contracts
 - ▶ Full Contingencies (80% confidence), etc. for duration of contracts
 - ▶ Contracts include all Engineering & Design (E&D) and Supervision & Administration (S&A)
 - ▶ Adjusted annually during work plan development

- New procedure for LRD Base + Options contracts
 - ▶ Fully fund contracts
 - ▶ Based on Cost & Schedule Risk Analysis (CSRA):
 - 50% confidence level for contingencies down from 80%
 - ▶ 1 year of labor for E&D and S&A vice contract duration
 - ▶ Adjusted annually during work plan development



Impact to IWTF Program and Efficient Funding Plan

Current IWTF Efficient Funding Plan					
	FY20	FY21	FY22	FY23	FY24
IWTF Initial Balance	32.0	31.6	15.3	(6.0)	(19.9)
IWTF Annual Revenue	112.0	113.0	114.0	115.0	115.0
IWTF Available Balance	144.0	144.6	129.3	109.0	95.1
Usage (Allocation)	112.4	129.3	135.3	128.9	47.6
IWTF Ending Balance	31.6	15.3	(6.0)	(19.9)	47.6

Revised IWTF Efficient Funding Plan (50% Confidence Level & 1 Year Labor)					
	FY20	FY21	FY22	FY23	FY24
IWTF Initial Balance	32.0	40.3	31.8	21.2	11.3
IWTF Annual Revenue	112.0	113.0	114.0	115.0	115.0
IWTF Available Balance	144.0	153.3	145.8	136.2	126.3
Usage (Allocation)	103.7	121.4	124.6	124.9	45.3
IWTF Balance	40.3	31.8	21.2	11.3	81.0

