



Savannah Harbor Expansion Project

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG.

FAQs on the Savannah Harbor Expansion Project (SHEP)

1) What is the Corps of Engineers current role in the expansion project?

- Congress charged the Corps of Engineers with evaluating all practical expansion alternatives. We began with looking at alternatives to deepening the harbor. We found that none of those preliminary measures would provide the same level of transportation efficiencies as would deepening up to the Garden City Terminal. The Corps is analyzing each harbor deepening alternative—dredging to depths from 42 to 48 feet—in detail using computer models of water and wave actions, computer-simulated ship movements, and analyzing engineering and economic data.
- In addition, the Corps is preparing an Environmental Impact Statement that describes the impacts of each depth alternative. By law, we also must provide a mitigation plan for the significant environmental impacts. In other words, the Corps identifies what steps must be taken to minimize impacts to the environment at each alternative dredging depth and then compensates for those environmental impacts.

2) Why is the Corps involved in this type of project?

- Congress charged the Army Corps of Engineers with the responsibility for improving harbors under the Rivers and Harbors Act of 1899. That responsibility remains with the Corps of Engineers. As part of this mission, we must ensure that commerce has safe and adequate access to ports throughout the USA.
- The Savannah District is the long term operations and maintenance agent for the harbor. The local sponsor for the project, the Georgia Department of Transportation, participates in the project by sharing the costs of providing dredge material disposal sites for the harbor.
- Specifically, the Congress provides funding to the Corps to study potential harbor improvements around the country. These studies provide Congress with information to decide which projects are justified and would best benefit the nation.

3) What is determined through the economic review?

- The Corps is a steward of taxpayer money and must determine which projects are good investments for the nation. It's charged with making the best use of the country's resources.
- Corps determines economic viability, environmental acceptability, and engineering feasibility – Congress determines which projects the nation invests in.
- We look at the issues from a national perspective. We consider actions that will increase the net value of the national output of goods and services. In the case of the proposed deepening, we look at future shipping fleet configurations, projections on trade, and the state of the economy now and projected into the future. At the end of our evaluation, we identify the plan that would be best from an economic perspective. The Corps designates that plan as the National Economic Development plan and reports that to Congress.
- The Corps' efforts focus on the National Economic Development Plan determination but also consider strong protections for the nation's environment.

4) What are the next steps in the planning process?

- In mid-2010 we expect to release the next Environmental Impact Statement and General Re-evaluation Report that will detail our draft recommendations. This will include the tentative federal recommended plan and the locally preferred plan, which may differ. The EIS and GRR will then go through an extensive review process within the Corps of Engineers and with three other federal agencies which must approve the project. It must also withstand the scrutiny of a formal independent external peer review and review by the public. In April 2011, the Corps' Chief of Engineers will then issue a Record of Decision.

5) What happens if Georgia Ports Authority/State of GA doesn't agree with the Corps' recommendation and wants the harbor dredged to a deeper depth?

- The State of Georgia can respond to the National Economic Development (NED) plan with a "locally preferred plan" (LPP) of a deeper depth and request its approval. If approved by the Assistant Secretary of the Army for Civil Works, the state would be responsible for 100 percent of the additional costs to dredge deeper than the NED plan. This was the case in the previous deepening of the Savannah Harbor completed in 1994.

6) Who pays for the harbor expansion?

- Depending on the depth selected, the cost is shared between the State of Georgia and the federal government.

7) Which federal agencies must approve this project once your district analysis is complete?

- The following agencies must approve the deepening plan: Department of Commerce (NOAA Fisheries Service); Department of the Interior (US Fish and Wildlife Service); Department of the Army; and the Environmental Protection Agency.
- A provision of the legislation that authorized the project required that the four federal agencies must approve the project and mitigation plan. This is a unique provision for a civil works project that Congress has required to insure that project has no detrimental effects on the environment.
- In addition, the Office of Water Project Review within the Corps of Engineers must approve the plan before it can be offered to the public for comment, and ultimately, signed by the Secretary of the Army for Civil Works. This ensures completeness of the studies and appropriateness of the recommendation.

8) Why has this process taken so long?

- During the August 2008 internal Corps review, we discovered we needed additional analyses for major sections of the study, including economics, engineering and environmental. Each of these major study components affects the others. If the output of one changes, that change alters something in the analyses contained in the other two. These revisions have been very time consuming but are vital to this report's credibility as we enter into reviews by independent panels – both inside and outside of the Corps of Engineers. All of this work has been conducted in concert with the agencies that are participating in preparing the Environmental Impact Statement. These include the Georgia Ports Authority (GPA), the US Fish and Wildlife Service, NOAA Fisheries and the Environmental Protection Agency. The studies that were performed and the impact analyses were also conducted in cooperation with the State natural resource agencies.

- A project of this magnitude and complexity must be examined carefully and deliberately. We must ensure that decisions made protect the environment and contribute to the national economic development without overly sacrificial costs to the taxpayers. In the end we must enhance the national economy as well as protect the environment. It is not unusual for a project of this size to take this long.
- In addition, if deepened, we plan to monitor environmental conditions for 5 years after the project is complete and we would adjust the mitigation features, if necessary, to ensure those features perform as we intend.

9) How long will the project take to construct?

- If the Corps of Engineers ultimately decides that deepening is in the best interests of the nation, dredging will take from 48 months to 60 months depending on the depth selected and the annual funding provided by Congress and the local sponsor.

10) Will the public have the opportunity to review the decision?

- A Tier II Environmental Impact Statement and a General Re-evaluation Report will be released later this year detailing our recommendation and its impacts. The public will have 45 days to review the draft plan. The Corps will also explain its recommendation during a public meeting.
- After we receive the agency and public comments, we will revise our documents as necessary and issue a final report. The public will be able to review and provide comments on those documents.

11) How are you balancing the environmental and economic issues?

- We are charged by Congress to oversee the nation's ports, including the Savannah Harbor. Our studies and recommendations consider both the economic needs of the nation and environmental protection and mitigation. We are conducting the studies to ensure we can meet both goals. Mitigating for environmental impacts will be a significant portion of the total project cost – but will be worth the expense to offset the effects of any deepening. Our analyses indicate that our mitigation efforts will actually delay impacts to wetlands that would otherwise be expected under current predictions of sea level rises.

12) How are you taking into the account the City of Tybee Island's concerns about impacts to the beach from the channel?

- We previously determined that the ship channel, as it has existed since the mid-1970s, contributes between 70-80 percent of the deflation of the Tybee shelf and erosion of Tybee Beach. Further deepening will not change those existing conditions. That said, the city of Tybee and the Corps are about to begin a study to determine exactly how the existing channel contributes to erosion of the beach face and how that can be offset through a change in dredging practices; by the use of structural measures; or other alternatives that have not yet been determined. Until that time, the existing Hurricane and Storm Damage Reduction project remains in place with the next re-nourishment scheduled for 2015.

13) Why has the economics analysis been so complicated?

- As we studied the economics of a possible deepening, we discovered that our standard model no longer fit the changing world of international shipping. Our earlier standard had a greater mix of bulk cargo while international shipping, especially in Savannah, leaned heavily on containerized cargo. We also discovered that the shipping industry, international trade routes, and consumer demand were changing rapidly. This all meant we needed to create a new model to predict the impact of deepening at various depths, particularly suited for Savannah. We also had to make some modifications based on new information about the expansion of the Panama Canal.
- We sought input from the Corps' navigation arm, the Institute for Water Resources, plus input from industry experts to evaluate the sophisticated nature of container ship operations. The Institute for Water Resources and industry experts worked together to identify the aspects of container ship operations that impact vessel loading and operating characteristics. We needed this detailed data to evaluate vessel operations under each of the proposed channel deepening alternatives being studied. Further, we revised model inputs to estimate the impact of the Panama Canal expansion on the industry's switch to more efficient vessels.
- Creating this new model took longer than anticipated but will be worth the effort in providing more refined data needed for a final decision.

14) Can the Corps of Engineers meet the April 2011 Record of Decision (ROD) date?

- Yes, if there are no major discoveries during the upcoming review phase that cause significant additional work. This time has resulted in slips in the schedule but will lead to a much higher quality analysis a study of this importance requires.

15) Can past delays be overcome in order to recoup some of this lost time?

- Perhaps. First, it's important to note that the ultimate project construction finish date based on the previously reported Record of Decision (ROD) date of December 2010 is unaffected by a new ROD date of April 2011. Given the federal budget submission and approval timeframes under our current processes, both of these dates would yield a construction start of winter 2012. That said, we continue working to identify ways to remove barriers to the actual construction start date. Recouping time during the construction period will also depend on timely congressional appropriations.

For answers to other questions, call 912-652-5014, Monday – Friday, 8 a.m. to 4 p.m. Eastern Time.

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