



RECORD OF DECISION

Matagorda Ship Channel Improvement Project, Port Lavaca, Texas Validation Report and Supplemental Environmental Impact Statement Calhoun and Matagorda Counties, Texas

The Final Integrated Validation Report and Supplemental Environmental Impact Statement (V/SEIS) dated July 2026, for the Matagorda Ship Channel Improvement Project (MSCIP) addresses deep draft navigation opportunities and feasibility in the Calhoun and Matagorda Counties, Texas. The final recommendation is contained in the validation report of the Chief of Engineers, dated July 2026. Based on these reports, the reviews by other Federal, State, and local agencies, Tribes, input of the public, and the review by my staff, I find the plan recommended by the Chief of Engineers to be technically feasible, environmentally acceptable, in accordance with environmental statutes, and in the public interest.

In 2019, U.S. Army Corps of Engineers (USACE) completed the final Integrated Feasibility Report and Environmental Impact Statement, Chiefs Report signed November 15, 2019 and Record of Decision signed April 22, 2020. The 2019 Authorized Plan consisted of deepening and widening the Matagorda Ship Channel to -47 feet (ft) mean lower low water (MLLW) and widening of bottom width to 300 ft of the main channel and deepening to -49 ft MLLW and widening of bottom width to 550 ft of the entrance channel, and associated placement areas in the DMMP.

Following the discovery of the volume discrepancy of new work in 2022, USACE determined that a SEIS would be prepared because the agency (i) made substantial changes to the proposed action that are relevant to environmental concerns and (ii) there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts in accordance with the Council of Environmental Quality regulations (40 CFR parts 1500 through 1508), 40 CFR 1502.9(d).

The U.S. Army Corps of Engineers (USACE) has prepared this Supplemental EIS in accordance with the National Environmental Policy Act (NEPA) of 1969, as amended (42 United States Code [U.S.C.] § 4321, et seq.), the USACE NEPA implementing regulations (33 Code of Federal Regulations [C.F.R.] part 230), and the Council on Environmental Quality (CEQ) 2020 NEPA implementing regulations, as amended in 2021 (40 C.F.R. parts 1500 – 1508). The CEQ has provided notice in the Federal Register dated February 25, 2025, to initiate eventual removal of their NEPA regulations at 40 C.F.R. Parts 1500 – 1508 from the C.F.R. However, the preparation of this SEIS began, and the Notice of Intent was published, prior to the CEQ's notice. As such, this SEIS continues to reference the 2020 CEQ NEPA regulations, as amended in 2022, that were in effect when this SEIS was prepared.

The Final V/SEIS, incorporated herein by reference, evaluated various alternatives that would improve the navigational efficiency of the deep-draft navigation system, and improve the operational safety of the same, over the period of analysis (2030-2079) in the study area. The recommended plan is the plan that is technically feasible, environmentally acceptable, and in the public interest and includes:

- Deepen Main Channel to -47 ft MLLW and Entrance Channel to -49 ft MLLW
- Widen Main Channel bottom width to 300 ft and Entrance Channel bottom width to 550 ft
- Construct new turning basin of 1,200 ft diameter in Lavaca Bay reach
- Relocation/removal of 16 pipelines
- Operations and Maintenance of the Matagorda Ship Channel for the years 2030-2079
- Creation of in-bay Placement Areas
- Creation of a bird island, as generally described in Section 6.2 of the V/SEIS
- Creation of Sand Engine
- Continued placement at Chester Island
- Placement of dredged material at Environmental Protection Agency's Expanded Offshore Dredged Material Disposal Site
- Implementation of the environmental compensatory mitigation and associated monitoring and mitigation area adaptive management plan. Monitoring will continue until the mitigation is determined to be successful based on the identified criteria within the MSCIP Mitigation, Monitoring, and Adaptive Management Plan included in Appendix B. Monitoring is expected to last no more than 5 years.

In addition to a "no action" plan, one other alternative was evaluated. The 2019 final Integrated Feasibility Report and Environmental Impact Statement examined four scales for deepening and widening the existing ship channel. This V/SEIS also assessed three of same scales. The impact analysis has been conducted for the deepened and widened proposed scale of a deepening to -47 ft MLLW and widening of bottom width to 300 ft of the main channel and deepening to -49 ft MLLW and widening of bottom width to 550 ft of the entrance channel. This proposed scale would represent the largest scale and therefore would disclose the greatest effects associated with recommended plan.

For all alternatives, the potential effects were evaluated, as appropriate. A summary assessment of the potential effects of the recommended plan are listed in Table 1:

Table 1: Summary of Potential Effects of the Recommend Plan

	Significant adverse effect	Insignificant effects due to mitigation	Insignificant effects	Resource unaffected by action
Topography, Soils, Geology, and Groundwater	☐	☐	☒	☐
Coastal Hydrology and Hydraulics	☐	☐	☒	☐
Water and Sediment Quality	☐	☐	☒	☐
Hazardous, Toxic & Radioactive Waste	☐	☐	☒	☐
Air Quality	☐	☐	☒	☐
Noise	☐	☐	☒	☐
Wetlands	☐	☐	☒	☐
Wildlife	☐	☐	☒	☐
Aquatic Resources	☒	☐	☐	☐
Special Status Species	☒	☐	☐	☐
Special Management Areas	☐	☐	☒	☐

	Significant adverse effect	Insignificant effects due to mitigation	Insignificant effects	Resource unaffected by action
Cultural Resources	☒	☐	☐	☐
Recreation	☐	☐	☒	☐
Socioeconomics	☐	☐	☒	☐

Significant adverse effects on aquatic resources, specifically oyster habitat, ESA-listed sea turtles, and cultural resources are expected, prior to mitigation. The adverse effects on these (and other) resources, prior to mitigation, are identified in the V/SEIS in (among other places) Chapter 5 -Environmental Consequences. For oyster habitat, these effects and proposed mitigation are discussed in more detail in Section 5.10.3 of the V/SEIS, and in the draft Mitigation Plan found in Appendix B – Environmental. For cultural resources, see Section 5.13. Where adverse effects cannot be avoided or minimized, remaining adverse effects will be mitigated to compensate for non-negligible impacts to the extent incrementally justified and in accordance with law (see below).

All practicable means to avoid or minimize adverse environmental effects were analyzed and incorporated into the recommended plan. Best management practices (BMPs) as detailed in the V/SEIS will be implemented to minimize impacts. For oyster habitat impacts, relying on Texas Parks Wildlife Department's oyster GIS data in Lavaca Bay, and two recent oyster surveys in Matagorda Bay, USACE team were able to minimize and avoid known oyster habitat to the maximum extent possible during the development of the proposed DMMP, primarily by switching the placement areas identified in the 2019 Final IFR/EIS in Matagorda Bay to the east side of the ship channel. To minimize potential sea turtle impacts, sea turtle avoidance measures would consist use of temporal dredging windows, when possible; intake and overflow screening; use of sea turtle deflector dragheads; observer reporting requirements; and sea turtle relocation/abundance trawling, if needed. For colonial water birds, dredging and placement activities will be prohibited within 1,000 ft of any active bird nests, nesting season is typically March 1 to September 1. In addition, prior to these activities at Chester Island, USACE would coordinate with the Audubon Society who manages Chester Island.

For cultural and historic resources, USACE executed a Programmatic Agreement (PA) which is designed to identify appropriate avoidance, minimization or mitigation actions (see Appendix B-4). The PA was executed in 2020 and does not expire until 2030.

The recommended plan will result in unavoidable adverse impacts to approximately 94.8 weighted acres of oyster habitat. To mitigate for these unavoidable adverse impacts, USACE will offset impacts through the creation of approximately 95 acres of oyster habitat consistent with Federal and State law and regulations, and USACE policy.

Public review of the draft V/SEIS was completed on 29 December 2025. All comments submitted during the public comment period were responded to in the V/SEIS (Appendix C). A 30-day waiting period of the V/SEIS is expected to be completed on 31 July 2026.

Pursuant to section 7 of the Endangered Species Act of 1973, as amended, National Marine Fisheries Service, biological opinion dated 17 April 2026 (SERO-2025-03150), determined the recommended plan will not jeopardize the continued existence of the following federally listed species or adversely modify designated critical habitat: Loggerhead sea turtle, Hawksbill sea turtle, Leatherback sea turtle, Kemp's ridley sea turtle, Green sea turtle, and great manta ray. All terms and conditions, and reasonable and prudent measures resulting from this consultation will

be implemented along with recommendation #22 in order to minimize take of endangered species and avoid jeopardizing the species (Appendix B-9).

Additionally, pursuant to section 7 of the Endangered Species Act of 1973, as amended, USACE determined that the recommended plan may affect but is not likely to adversely affect the following federally listed species or their designated critical habitat: West Indian manatee, Northern aplomado falcon, Piping plover, Red knot, Whooping crane, and Eastern Black Rail. For Loggerhead sea turtle, Hawksbill sea turtle, Kemp's ridley sea turtle, Leatherback sea turtle, and Green sea turtle where U.S. Fish and Wildlife Service (USFWS) has jurisdiction USACE also determined the recommended plan may affect, but is not likely to adversely affect. On 13 March 2026, USFWS concurred with USACE's determination regarding the proposed action with the exception of the proposed Bird Island (2023-I-0132767) (Appendix B-9). USFWS has requested a phased review and provided a list of information needed to support its analysis of Bird Island, which will be developed during the Pre-Construction Engineering & Design (PED) phase of the project. USACE will continue to coordinate and consult with USFWS prior to the commitment of federal funds for beneficial use of dredged material at Bird Island. If the creation of Bird Island is determined to be not feasible, PA 18/19 is anticipated to have capacity for new work dredge material. If necessary, the potential option of PA 18/19 would be analyzed further during PED and any environmental compliance would be obtained at that time, if appropriate.

Pursuant to section 106 of the National Historic Preservation Act of 1966, as amended, USACE determined that historic properties may be adversely affected by the recommended plan. USACE and the Texas State Historic Preservation Officer entered into a Programmatic Agreement (PA), dated 3 March 2020. All terms and conditions resulting from the agreement shall be implemented to minimize adverse impacts to historic properties.

Pursuant to the Clean Water Act of 1972, as amended, all discharges of dredged or fill material associated with the recommended plan have been found to be compliant with Section 404(b)(1) Guidelines (40 CFR 230). The Clean Water Act Section 404(b)(1) Guidelines evaluation is found in Appendix B - Environmental of the V/SEIS.

A water quality certification pursuant to section 401 of the Clean Water Act has been obtained on 12 March 2026 from the Texas Commission of Environmental Quality. All conditions of the water quality certification shall be implemented to minimize adverse impacts to water quality.

A determination of consistency with the Texas Coastal Zone Management program pursuant to the Coastal Zone Management Act of 1972 has been obtained on 3 February 2026 from the Texas General Land Office. All conditions of the consistency determination shall be implemented to minimize adverse impacts to the coastal zone.

Pursuant to the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended, the project would potentially adversely affect Essential Fish Habitat (EFH). USACE has been coordinating with NMFS throughout the development of this draft V/SEIS. USACE submitted the EFH Assessment on 18 November 2025 (Appendix B-6-2) concluding that the proposed recommended scale may adversely affect EFH; however most of the overall proposed project effects to EFH would be temporary and/or be negligible considering the localized effect of the actions compared to the unaffected habitat available in the Matagorda Bay System with the exception of lost oyster habitat that would be offset with compensatory oyster mitigation. NMFS concurred with USACE's assessment of effects to EFH in a letter dated 10 December 2025 (Appendix B-6-1). In a subsequent email, NMFS responded that they have no issues with updated oyster mitigation modeling; however recommended relocation of live oyster to minimize any potential temporal losses and help jump-start successful recruitment and long-term productivity in addition to the proposed mitigation in email dated 19 February 2026 (Appendix B-

6-1). In response to this recommendation, USACE will relocate any impacted live oysters to the proposed oyster pads and/or another appropriate location within the project area, to the maximum extent practicable, see letter dated 15 May 2026 (Appendix B-6-1).

Pursuant to the Fish and Wildlife Coordination Act of 1934, as amended (16 U.S.C. §§ 661–667e), USACE requested FWCA coordination in August 2023 and again in a letter dated 20 January 2026 (refer to Appendix B-7). USFWS provided FWCA recommendations for the current proposed project, except for Bird Island, in a letter dated 13 March 2026 (Appendix B-7). USACE’s responses to those recommendations can be found in Appendix B-7. USACE will continue to coordinate with USFWS prior to the commitment of federal funds for beneficial use of dredged material at Bird Island.

All applicable environmental laws have been considered and coordination with appropriate agencies and officials has been completed.

Technical, environmental criteria used in the formulation of alternative plans were those specified in the Water Resources Council’s 1983 Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies. All applicable laws, executive orders, regulations, and local government plans were considered in evaluation of alternatives. Based on the review of these evaluations, I find that benefits of the recommended plan outweigh the costs and any adverse effects and certify that all of the alternatives, information and analyses submitted by public commenters based on the summary in the final EIS have been considered. This Record of Decision completes the National Environmental Policy Act process.

Date

Adam R. Telle
Assistant Secretary of the Army
(Civil Works)