APPENDIX D

PUBLIC COORDINATION BRAZOS ISLAND HARBOR CHANNEL IMPROVEMENT PROJECT CAMERON COUNTY, TEXAS

U.S. Army Corps of Engineers, Galveston District 2000 Fort Point Road Galveston, Texas 77550

July 2014

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PUBLIC SCOPING MEETING JANUARY 31, 2007



DEPARTMENT OF THE ARMY GALVESTON DISTRICT, CORPS OF ENGINEERS P. O. BOX 1229 GALVESTON, TEXAS 77553-1229

Notice of Public Scoping Meeting Brazos Island Harbor (Brownsville Ship Channel) Feasibility Study

Introduction

This Notice provides a summary of the problems and opportunities associated with a proposed channel modification project to the Brownsville Ship Channel (also known as Brazos Island Harbor) (Figure 1) and requests public input to the study.

Study Background and General Description

Brazos Island Harbor is a Federally-authorized deep-draft navigation project. The study area encompasses the navigation channel and surrounding region. The proposed study area is located in Brownsville, Cameron County, Texas.

The proposed project consists of enlarging the existing Brownsville Ship Channel by deepening the entrance and jetty channel, the lower section of the main channel and the upper section of the main channel including turning basin. In addition, widening alternatives will be considered.

Study Process and Status

The general study process involves a reconnaissance phase and a feasibility phase. The reconnaissance phase has been completed. The one-year reconnaissance phase consisted of analyses necessary to determine whether future planning was economically justified and environmentally acceptable. The reconnaissance study evaluated a deepening and widening plan and concluded that there was a Federal interest in the proposed project and recommended a more detailed (feasibility-level) review of the project. The feasibility study began in June 2006 and will determine the most cost-effective alternative for improving the channel while protecting the Nation's environment. The product of the feasibility phase is a report that presents a recommendation to the Congress that the solution be implemented.

Public Participation

The Galveston District is soliciting input through a public scoping meeting in order to address problems and opportunities associated with channel modifications to the Brownsville Ship Channel. Specifically, public input is requested concerning:

- 1) Economic development opportunities
- 2) Operational constraints associated with the Brownsville Ship Channel
- 3) Problems associated with current dredged material placement practices
- 4) Opportunities for environmental restoration
- 5) Any other project-related concerns the public may have

This notice serves as an invitation to the public to attend. The public will be provided an opportunity to express comments in person or in writing. Written comments need to be received on or before March 2, 2007.

Meeting Location: Mary Yturria Education Center (Historic Brownsville Museum), 641 E. Madison, Brownsville, Texas,

Time and Date:7:00 pm (Registration begins at 6:30 p.m.)January 31, 2007

All interested parties are invited to provide input into this study so that all concerns can be addressed. If you need additional information, please contact the Environmental Lead, Ms. Natalie Rund by telephone at (409) 766-6384 or by e-mail at natalie.a.rund@swg02.usace.army.com.



Figure 1. Vicinity Map

BROWNSVILLE NAVIGATION DISTRICT BRAZOS ISLAND HARBOR PORT DEEPENING FEASIBILITY STUDY

Historic Brownsville Museum 641 E. Madison Brownsville, Texas

January 31, 2007

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BE IT REMEMBERED that on the 31st day of January, 2007, the following proceedings were held at the Historic Brownsville Museum, 641 E. Madison, Brownsville, Cameron County, Texas.

1 MR. ARAMBULA: Good evening. Welcome. 2 My name is Martin Arambula, chairman for the Brownsville Navigation District, and we welcome you 3 to the public forum that we're having here being 4 conducted by the U.S. Army Corps of Engineers. 5 6 I would like to first welcome all of the 7 folks, the stevedores and the leassees that lease at 8 the Port of Brownsville, community members. And to my right here I have the commissioners from the Port of 9 10 Brownsville, Mr. Carlos Masso. We have Commissioner Peter Zavaletta next to him, and Commissioner Luigi 11 12 Cristiano, Commissioner Roy De Los Santos. I would like to turn it over now to 13 14 Colonel Weston, who is going to be conducting the 15 majority of this program here, and without further 16 adieu, Colonel Weston. Thank you, sir. Thanks for 17 being here. 18 COLONEL WESTON: Good evening, ladies 19 and gentlemen, and thank you, Mr. Arambula. I'm 20 pleased to be here tonight. I'm Colonel Dave Weston, 21 District Engineer of the Galveston District Corps of 2.2 Engineers. 23 I welcome you to tonight's public 24 meeting concerning the Brazos Island Harbor 25 Feasibility Study. For the record, let me state that

this public scoping meeting is being convened at 7:12
 p.m., on January 31st, 2007, at the Mary Yturria
 Education Center, also known as the Historic
 Brownsville Museum in Brownsville, Cameron County,
 Texas.

6 The Corps of Engineers and the 7 Brownsville Navigation District are conducting a 8 study to determine the economic, engineering, and 9 environmental feasibility of improvements to the 10 Brownsville Ship Channel. The feasibility study began in June 2006 and will determine the most cost-11 12 effective alternative for improving the navigation 13 while protecting the nation's environment.

14 The main purpose of this meeting tonight is to ask you, the public, if you have any suggestions 15 16 regarding alternatives that should be considered, specific studies that should be conducted, or know of 17 18 any significant environmental issues that need to be 19 addressed during our study process. We are 20 specifically seeking input concerning, but not 21 limited to, the economic development opportunities; 2.2 operational constraints associated with the 23 Brownsville Ship Channel; problems associated with 24 current dredged material placement practices; 25 significant environmental issues or concerns; and any

1	other concerns you may have with the proposed channel
2	improvement project.
3	Before I discuss tonight's ground rules,
4	I would like to introduce the following individuals:
5	First of all, representing Congressman Ortiz' office,
6	we have Ms. Denise Blanchard; and Joel Munguia.
7	Representing county judges and county
8	commissioners, we have Commissioner John Wood and
9	Commissioner David Garza.
10	And representing the Brownsville
11	Navigation District Board of Directors, we have
12	Carlos Masso, Luigi Cristiano, Roy De Los Santos, we
13	have Martin Arambula, Donna Eymard, and Peter
14	Zavaletta.
15	Additionally, I would like to introduce
16	those that are sitting with me at the head table.
17	You've already met Mr. Arambula with the Brownsville
18	Navigation District. We also have Mr. Hector Lopez,
19	the director of engineering. He's the director of
20	engineering with the Brownsville Navigation District;
21	and Mr. Carl Anderson of the Corps of Engineers,
22	Galveston District. Carl is our project manager for
23	the Brazos Island Harbor Project.
24	I hope that all of you had an
25	opportunity to read the announcements of the public

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1 There were over 240 copies distributed to meeting. 2 individuals, agencies, organizations, and news media believed to have an interest in these proceedings. 3 A copy of the public notice and a 4 5 project overview are also available at the 6 registration table. Please feel free to take additional copies and share with family and friends. 7 8 The public notice, mailing list, and a list of those 9 present will be made a part of the record of this 10 meeting. A recorder is here and will transcribe these 11 proceedings, and a copy of the official meeting 12 record will be posted on our website. The specific 13 website address will be provided later in this 14 meeting by Mr. Anderson. 15 I hope everyone has filled out an attendance card. If not, I ask that you do so now. 16 17 If you could raise your hand, we'll have someone bring 18 you a card, if you haven't done so when you came into 19 the building. The attendance card is used to record 20 the participants in this public meeting and to inform 21 you of your desire to make an oral statement and/or 2.2 present written material. If you indicated on the 23 attendance card that you want to make an oral 24 statement, you will be given the opportunity to do so. 25 I would like to emphasize that the

1 purpose of the public meeting is to provide you, the 2 public, an opportunity to present your views, opinions, and recommendations concerning the Brazos 3 Island Harbor Feasibility Study. Your comments help 4 5 the Corps of Engineers and the Brownsville Navigation 6 District identify environmental concerns and study efforts and meet the National Environmental Policy 7 8 Act requirements for preparing an environmental 9 impact statement. Since our primary purpose tonight 10 is to listen and learn, we will not be responding to 11 your questions and concerns this evening. However, 12 every effort will be made to address the concerns and 13 issues identified during the feasibility study 14 process. This will not be your only opportunity to 15 There will be additional express your comments. 16 opportunities for the public to express their views 17 in other meetings in the future. 18 Let me discuss the format for tonight's 19 meeting. First, Mr. Hector Lopez of the Brownsville 20 Navigation District will present an overview of the 21 Brownsville Ship Channel and the interests of the 2.2 Brownsville Navigation District in this study. 23 Next, Mr. Carl Anderson from the Corps 24 of Engineers will provide an overview of the 25 feasibility study process.

Following these presentations, I will open the floor for public comments. I will first recognize those federal and state officials that have requested to make a statement, followed by city and county officials who desire to speak, then the federal and state resources agencies will present their comments, if they desire.

8 And, finally, I will recognize each 9 individual from the registration cards that have 10 indicated that they wish to make a statement. Again, 11 since our main purpose is to listen and learn, we will 12 not be addressing any questions or concerns this evening. 13 We're interested in hearing what you have to 14 say. Everyone who has indicated a desire to comment 15 will have the opportunity to do so. Is there anyone 16 who needs to turn in a card? If so, would you please 17 raise your hand? Thank you.

I would ask that we give all speakers the courtesy of not making comments during their presentation. All individuals have an equal right to be heard and you will have the opportunity to speak in turn. At this time, I would request that all cell phones be turned off to avoid disturbing the speakers and the audience.

25

I would like to now call on Mr. Hector

1	Lopez, who will give his presentation.
2	MR. LOPEZ: Thank you, Colonel Weston.
3	Commissioners, elected officials,
4	distinguished guests, ladies and gentlemen, good
5	afternoon.
6	I will try to make my presentation
7	brief. I have several slides with a lot of
8	information, some of them include some tabulations,
9	and I will try to highlight those points. I'm not
10	going to go into detail through every one.
11	The purpose of my presentation today
12	just to quickly give you an overview of the Port
13	operations, some of the most recent cargo statistics,
14	some general research from the economic impact study
15	conducted by Dr. John Martin last year, and some
16	considerations for this project.
17	Generally, you can say that the planning
18	of the Port of Brownsville began back in 1888 with the
19	construction of the South Jetties. The Ship channel,
20	which is, approximately, 17 1/2 miles long was
21	constructed during the period of about 1934 to 1938.
22	In 1966, it was deepened to 36 feet and draft, with
23	the idea to bring tankers and bulk carriers with a
24	draft of up to 32 feet carrying, approximately,
25	23,000 dead weight tons of cargo. It wasn't until

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1 1986 which authorization was given to expand the 2 channel to its current dimensions, that is currently a 42 foot draft for most of the channel, until you get 3 to our 1,200 foot turning basin, which is a draft 4 limitation of 36 feet. Basically, the design ship for 5 6 this vessel was a 775 feet long vessel with a 106 foot wide beam fully drafted to 38 feet, being able to 7 8 carry 43,000 dead weight tons.

9 As you all know, from the faces that I 10 see in the audience this afternoon, most of our 11 operations are conducted at the turning basin. We 12 have several cargo docks, oil docks, a bulk cargo 13 facility and a grain elevator facility. We're also 14 home to one of the largest shipyards in Texas, the 15 Campo Lanco facility. We currently have several 16 private dismantlers working on dismantling ships; plenty of warehouse space; patios, yards for the 17 18 cargo, and, of course, we also have the assistance of 19 our sister company, the BRG for rail movement of the 20 cargo.

In general, you can say that the Port is primarily a port covering both dry and liquid cargo handling. Principal imports include steel products, petroleum products, grain, ore and minerals, chemicals. Interesting to note that in 2002 we were

1	considered the second largest in-transit by volume
2	port in the United States. And in-transit,
3	basically, refers that most of the commodities coming
4	through the cargo do not remain in the immediate area.
5	Over the period of the last five years,
6	the Port has averaged about 4.4 million metric tons
7	per year, basically, ranging from about four million
8	to 5.2 million in the last two recent years.
9	Percentagewise, most of our commodities,
10	or 85 percent of our commodities is attributed to
11	steel and petroleum products, or minerals. Vegetable
12	oils, grains, and other commodities make up the
13	remaining 15 percent.
14	In terms of the way that that cargo
15	comes into the port, basically vessel and barge, 64
16	percent of our total tonnage comes through vessel.
17	The remaining 36 percent is attributed to either
18	intracoastal or ocean going barges.
19	Over the period of 2003 to 2005, an
20	average of about 350 vessels have made port have
21	made call at the Port of Brownsville. It's
22	interesting to note that about 49 vessels on the
23	average, or 12 percent of those vessels, have had a
24	deep draft, or what I consider 35 feet or more. Those
25	vessels account for 26 percent of the total tonnage,

vessel tonnage, at the port, thus giving significance to the need for deep draft. In terms of commodities for those draft ranges -- and it's hard to see on the slide. I apologize for that yellow coloring there -but, mainly ores, aggregates, iron & steel, and petroleum products account for most of the deep draft vessels.

8 Last year, Dr. John Martin, from Martin 9 & Associates conducted an economic impact study for 10 our seaport activities. His basic model was, 11 basically, to measure the impacts in four categories, 12 jobs, employee earnings, business revenue, and state 13 and local taxes. Without going too much detail into 14 this very exhaustive report prepared by Dr. Martin, 15 he basically summarized the impacts in this table, 16 and according to Dr. Martin, over 38,000 jobs, which includes both direct, induced, indirect and related 17 18 jobs are related to -- in some way to the marine cargo 19 activities at the Port of Brownsville, as well as the 20 offshore and rig repair facilities. Of that, just by 21 looking at the direct impacts, over 140 million 2.2 dollars in personal incomes were generated through 23 salaries for that -- for the year of 2005. What that 24 means as far as state and local taxes? He has 25 estimated that over 44 million dollars a year are

1 generated as a result of direct, induced, and 2 indirect taxes. In his report, he mentioned three 3 highlights. Thirty-eight thous -- as I just 4 5 mentioned awhile ago, 38,000 jobs in Texas are in some 6 way related to the cargo moving via the marine facilities and the shipyard repair. 7 8 Over 2.8 billion dollars in economic 9 activity was generated in the state of Texas as a 10 result of the marine cargo and the shipyard repair 11 activities at the port. 12 And in addition to the 44 million 13 dollars of state and local taxes, over 130 million of 14 state and local taxes were created by -- due to 15 economic activity of the related users. The related 16 users are those facilities that utilize our commodities at other places, for example, steel mill 17 18 industries or other manufacturers that utilize our 19 commodities. Some of the opportunities to be seen by 20 deepening the port, of course, would be in the better 21 2.2 utilization of vessels, in terms of the loaded 23 tonnage. A larger vessel with more tonnage results in 24 a reduction in the shipping costs for that commodity. 25 Also, in addition to the shippers and

consignees, it means that you have less vessels
 traveling back and forth to bring a certain specific
 volume of commodity to your company.

As far as the ship and oil rig repair 4 5 operations, the deepening would really mean that they 6 would be able to handle and repair larger offshore rigs currently operating in the Gulf of Mexico. 7 You 8 can think of this as -- this opportunity as a loss if 9 we were not able to provide that service, because 10 those offshore rigs that are currently working in the Gulf of Mexico would not be able to be serviced in the 11 12 Port of Brownsville.

Dr. Martin further concluded that over 13 14 2005, the average cost per ton at the Port of 15 Brownsville was, roughly, around \$23. He estimates 16 that if we were to go to 48 feet, basically, a Panamax fully loaded drafted vessel to 45 feet with a dead 17 18 weight tonnage of about 75,000 tons would cost around 19 17. That, in itself, it's economic benefits to 20 shippers, the consignees, and the users. He's 21 estimated that the annual benefits would be in the 2.2 order of 31 million dollars extra.

As far as the shipyard's impacts of not being able to service those rigs presently in the Gulf of Mexico, it will result, basically, in you can say a

1 loss of over, perhaps, potentially, over 3,000 2 additional jobs, revenues in personal incomes over 138 million dollars, and losses in state and local 3 taxes over, approximately, another 49 million dollars 4 5 per year. 6 Why deepen the -- why deepen the channel? Well, obviously, it will provide benefits 7 8 associated with transportation costs and savings to 9 our customers. It would also provide additional 10 leverage for our local ship and oil rig manufacturer 11 to create more jobs and more revenues for the region. 12 Currently, we're mainly handling what we 13 consider Handimax vessels or not fully drafted 14 Panamax vessels. One of those Panamax vessels could 15 come loaded to their full draft and be able to provide 16 additional incentives to the Port of Brownsville, 17 especially in the steel slab commodity. Obviously, 18 it would -- we need to continue to maintain an 19 increased commercial traffic through the region. Ιt 20 will result in investments in the region's infrastructure, and it will be -- it will result in 21 2.2 economic growth and prosperity, which is something 23 that we need to continue to work forward to create 24 economic activity. 25 That, basically, presents my --

1 concludes my presentation, and let me introduce Mr. 2 Carl Anderson with the Corps of Engineers. He will delineate a little bit more about the tasks and the 3 process in which this feasibility study is conducted. 4 5 Thank you. 6 MR. ANDERSON: The existing channel is -- we have about 2 1/2 miles coming in out of the 7 8 Gulf, we call the entrance channel, through the 9 Jetties, and you have an inland portion, which comes 10 from the entrance channel all the way down through the 11 landlock area about 15 miles. We have a turning basin 12 here, all of this is at 42 feet, and then at the end of the channel is a 1,200 foot wide turning basin, 13 14 which is 36 feet deep. 15 The channel has a long history. In the 16 early sixties, the channel was constructed to 36 17 feet. In 1986, it was authorized to go to 42 feet, 18 and now we're looking to go deeper. So, roughly, on 19 every 20 year cycle we're looking at deepening channels because of the -- the economics involved 20 with the Port activities. 21 2.2 Began back in 1880, when the channel --23 the Brownsville Channel was originally authorized to 24 construct two jetties. The jetties were started and 25 never completed because they ran out of funds. But

1 the Rivers and Harbors Act of 1880 authorized it for 2 10 feet. In 1919 it was authorized to go to 18 feet. In 1930, and then amended again in 1960, to go to 36 3 feet, and that was the initial construction through 4 5 the land area; and then Water Resources Development 6 Act, 1986 authorized it to go to 42 feet, which is its present configuration today. 7 8 Maintaining the channel is paid for by 9 federal funds. All the berthing areas are the 10 responsibility of the Brownsville Navigation District 11 to maintain. 12 Transportation efficiency. Some of the 13 activities of the Brownsville Channel include 14 construction of offshore rigs, and there's beginning 15 to be more and more of these as the cost of oil keeps 16 going up; ship repair and ship dismantlement; Steel Fabrication; a lot of bulk terminals; and a lot of 17 18 steel and ore minerals being offloaded and then 19 either truck or rail to other parts of the country or 20 to Northern Mexico. Larger ships would allow 21 additional cargo to be brought into the Port and at a 2.2 cheaper cost. 23 What we want to look at is the 24 possibility of deepening the channel all the way from 25 the Gulf of Mexico all the way to the final turning

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1 basin. We are looking at going a maximum of 48 feet 2 in depth, and that would increase the size of the ships that could call on the Port, and resulting in 3 more cost savings because we could bring in more 4 tonnage with a single ship. Also widening the 5 6 channel. A lot of ship makers are now going wider to get additional cargo because of the draft limitations 7 8 on some of the ports. Widening would also allow for 9 larger oil drilling rigs to be constructed and 10 repaired here in Brownsville. 11 We have one offshore disposal area out 12 in the Gulf, and that's mainly used when we dredge and 13 maintain the entrance channel, and then there are 14 eight upland placement areas along both sides of the 15 channel where the material will be placed for the new 16 construction and also the maintenance of the new 17 project. 18 How does a project evolve? Well, first, 19 the local sponsor decides they need a project. They 20 go to their congressman, who gets an approval -- gives 21 us an approval to investigate whether there's an 2.2 interest and a benefit of reconfiguring the channel. 23 This is a two phase planning process. The initial 24 phase is the recon study done by the Corps of 25 Engineers, and out of that either a determination

1 that there is no federal interest in pursuing 2 changing of the channel, or there is an interest and a benefit to the nation in pursuing a deepening, 3 widening. If that is determined, then we do what we 4 5 call a feasability study, which we are just 6 initiating, and the environmental impact statement on what those changes would be. Once that's determined, 7 8 then we go back to Congress for authorization and 9 funding, and then we would go into detail design, 10 construction, and then operation and maintenance of 11 that facility. 12 This project was begun with the 13 reconnaissance phase, and that was completed in 14 February 2004. In June of 2006, the Corps of 15 Engineers and the Brownsville Navigation District 16 signed a feasability cost sharing agreement to initiate the feasability study. During this study, 17 18 the Port and the federal government share equally in 19 the cost of that study. 20 And that brings us to January 31st, and that's what you're doing here right now, having the 21 2.2 first public scoping meeting. There will be three 23 public meetings during the feasability study phase. 24 The results of the reconnaissance phase 25 was that there was a navigation, ecosystem

1 restoration and shoreline erosion abatement
2 potentials that were economically feasible. And it
3 is in the federal interest to conduct more detailed
4 investigations, that's the feasibility study, for
5 this project.

6 The feasibility phase would develop and 7 evaluate alternative plans to address problems and 8 opportunities identified by the sponsor and the 9 public. We don't know what it's going to look like 10 yet, but we need input from you all as to what some of 11 the concerns are, what are some of the benefits, and 12 the effects on this area a new channel would have. Then we determine whether there is an economic 13 14 justification for the project, that the cost of the 15 project is outweighed by the benefits. The study will also include a 16 17 preparation of the final feasibility report, which is 18 submitted up to Washington and then on to Congress, 19 and an environmental impact statement. It's 20 estimated it would take 48 months to complete the 21 feasibility study process. The estimate cost is, 2.2 approximately, 6.8 million dollars. As I said 23 before, it's equally cost shared.

The steps in the feasibility study.
 Specify the problems -- bigger ships, wider ships --

1 and opportunities, and this is done by the sponsor, 2 the federal, state, and local concerns, and the public. Once we determine what those problems and 3 opportunities are, we go into forecast and analyze 4 the various conditions relative to those concerns, 5 6 then we would formulate alternative plans on how to resolve these problems and how to maximize the 7 8 opportunities. Then we evaluate the economics, the 9 environmental, and other effects that each plan would 10 have on -- for the project. We would compare 11 alternative plans and their efforts, and then we 12 would select a recommended plan for development. 13 Now what we look at during this phase 14 are engineering concerns, environmental concerns, and 15 social and economic concerns. 16 Some of the engineering issues. Channel 17 design optimization. Where we can get the most ships 18 in safely, berth them, unload them, and get them back 19 out. We will conduct a ship simulation study, which 20 we will configure a channel on a computer model. The 21 Port pilots will participate. They will actually 2.2 navigate ships through the various alternatives, and 23 we'll determine what hazards, what opportunities we 24 have to better make the channel more safe, easy to 25 That will also determine if we need to widen operate.

in certain areas.

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We'll have to figure the quantity of
dredge material that will need to be disposed of, the
new maintenance shoaling rates, how often the channel
will have to be maintained once it is constructed, and
any new berthing area requirements. The deeper
channel is going to require deeper berthing areas.
We will develop a long-term dredged
material management plan. We'll do a geotechnical
investigation for placement areas, see how high we
need to raise the levees, if the ground under the
levees will sustain the height. It may be necessary
to purchase additional land areas for new placement
areas. And we also look at utility relocation
requirements, pipelines, electrical lines, water, and
that sort of thing that may be in the way of
deepening.
We will do hydrodynamic modeling. This
will be a computerized model. We will look at the
various depths and the changes it may have on
salinity. Currents. We'll look at the sediment
quality, the new material that will be taken out. We
also look at what impacts a new channel may have on
the endangered species in this area; the marine
resources. We'll look at shoreline erosion. Maybe

1 the various alternatives would exacerbate some of the 2 erosion problems and we would either rule out that alternative or have some kind of a structure that 3 would keep the shoreline from eroding. 4 We also look at beneficial uses of 5 6 dredge material. Can we create some shallow habitat 7 for sea grasses. And we're also looking at dust abatement, which is a -- has been a problem in this 8 9 area, and the Port has already initiated taking care 10 of that and is going to increase their efforts in 11 reducing the dust problems. 12 Social and economic issues. The overall 13 impacts, the economic impacts to the area, whether 14 they be positive or negative. Projected impacts on 15 commerce. When we bring it in cheaper, that means we 16 pay for it cheaper at the local stores. We'll also do 17 a culture resources investigation. Is there any 18 historic shipwrecks or historic previous 19 civilizations that we may be disturbing. And we also 20 look at the project effects on human quality of life. 21 The Port is a big contributor to jobs in this area. 2.2 Bringing in more commerce would bring in more jobs and 23 maybe attract additional jobs to this area. 24 The entire process is an open process. 25 We have nothing to hide. We identify the stakeholders

1 and urge participation. And you, as the public, are 2 definitely the stakeholder, because you will benefit from any cost savings that should result from a new 3 project. We do intensive state and federal resource 4 5 agency involvement, and we will have working groups on various environmental issues, and we will also 6 have public, as well, involved in those working 7 8 groups to determine the best effort that we can do to 9 minimize the impacts, or actually enhance the 10 environment in this area. 11 Again, I would like to say it's all 12 public input. We do encourage your comments. You can 13 speak tonight and it will be recorded. You can write 14 down comments and hand them to us to be included in 15 the official record, or you can send in your written 16 comments to Colonel Weston at the address here, or you 17 can also submit comments on the Internet by going to 18 our web address here. You can click -- when you get 19 to here, you can click on projects, the project 20 listings, and then Brazos Island Harbor. That will 21 bring up a comment screen, and when you send that 2.2 comment, it comes directly to me. And that will be 23 recorded and made part of the public record and your 24 comments will be considered. 25 I'm now going to turn the meeting back

over to Colonel Weston.

1

2	COLONEL WESTON: Okay. Thank you,
3	Hector and Carl for your comments and your
4	presentations. What we'll do now is begin our comment
5	period, and we'll start off with federal, state, and
6	local representatives first, followed by the general
7	public. We have numerous folks here who want to make
8	comments. I would ask you to hold your comments to no
9	more than three minutes, so you have to be clear and
10	concise, you know, state your issues or your concerns
11	or your whatever you want to say about the project
12	in a concise manner so that we can keep moving
13	forward, and so that everyone has the opportunity to
14	speak and say what they have to say this evening.
15	First of all, I would like to start off
16	with Ms. Denise Blanchard, representing Congressman
17	Ortiz' office.
18	MS. DENISE BLANCHARD: Thank you very
19	much. Colonel Weston, on behalf of Congressman
20	Ortiz, we thank you so much for being here for this
21	scoping meeting. We know how important this is. And,
22	of course, Chairman Arambula, thank you for the
23	opportunity to be here to address the Corps of
24	Engineers, and Hector, thank you for your great
25	presentation; and Mr. Anderson, thank you for helping
24	Engineers, and Hector, thank you for your great

1 to make this very understandable, very simplistic and 2 very understandable. As I was listening to your presentation, 3 what was so interesting is that I keep thinking about 4 the leaders back in 1880, or back in the 1930's, who 5 6 were probably sitting here trying to do the same thing, but had they not moved forward and pushed 7 8 forward for those projects, we probably would not be 9 sitting here trying to deepen our own channel here. 10 And so we thank the men that have gone before us, men 11 and women that have gone before us, to have made the 12 Port of Brownsville possible, but we must continue 13 the work, and we just want to thank you so much for 14 being here. 15 Congressman Ortiz, as you know, is in 16 Washington, has asked me to read remarks on his behalf on the Brownsville Navigation District's widening and 17 18 deepening program, January 31, 2007. 19 Since the authorization of the 20 reconnaissance study in July of 2000, the federal 21 government has played a big role in assisting the Port 2.2 of Brownsville's expansion and growth into one of the 23 premiere ports in the nation. The reconnaissance 24 study was originally authorized because the future 25 economic demands dictate that the Port of Brownsville

1 would need to be improved in order to meet the 2 transportation and trade needs of the region and cross border trade with Mexico. 3 For the past two years, the Congress has 4 5 approved appropriations for the Corps of Engineers' 6 feasibility study, further showing support for this important project. Although the word of 7 8 reauthorization has been stalled in Congress for many 9 years now, the Brownsville Navigation District 10 widening and deepening project continues to gather 11 support. 12 Why? Over 2 1/2 million deep draft tons 13 pass yearly through the Port of Brownsville, Texas. 14 Forty percent representing cargo bound ore coming 15 from Mexico. Mexico is a stone's throw from 16 Brownsville across the Rio Grande River. If total yearly deep draft commerce at Brownsville is about 17 18 2.5 million tons, then almost 40 percent, 940,000 tons is Mexican trade. And if such a situation is not 19 20 unique in the world, certainly it is rare. Port of 21 Brownsville offers an excellent strategic location 2.2 for security and economic concerns. 23 The summary of impacts generated by the 24 Port of Brownsville. From October 2006 study that 25 looked at the local and regional economic impacts of

1 the Port of Brownsville, the economic impacts 2 generated by the marine cargo terminals and ship repair oil rig maintenance operations are summarized 3 in Exhibit E-2 -- and I believe, Mr. Lopez, it's 4 5 pretty much what you were indicating about the great 6 economic value, so I will skip over that -- but, basically, specifically, the vessel and cargo 7 8 activity at the marine, cargo facilities and ship 9 repair, oil rig maintenance operations, generated the following impacts in the State of Texas in 2005. 10 Thirty-eight thousand, four hundred and 11 12 twenty-eight jobs in Texas are in some way related to 13 the cargo moving via the marine terminals and 14 activity at the ship and rig repair yard. Of the 38,428 jobs, 4,695 direct jobs are generated by the 15 16 marine cargo and vessel activity and ship and rig 17 repair operations. Of the 4,695 direct jobs, marine 18 cargo activity supports 2,671 direct jobs, while the 19 ship and rig maintenance and repair operations 20 generate 2,024 direct jobs. As a result of local and 21 regional purchases by those 4,695 individuals holding 22 the direct jobs, an additional 2,446 induced jobs are 23 supported in the regional economy. Three thousand, 24 four hundred and thirty-seven indirect jobs were 25 supported by 182.2 million dollars of local purchases

1 by businesses supplying services to the marine 2 terminals, and by businesses dependant upon the Port of Brownsville for the shipment and receipt of cargo, 3 and on the ship and rig repair operations. 4 5 In addition to the direct, induced, and 6 indirect job impacts, 27,851 jobs in Texas are related to the cargo moving over the marine terminals 7 8 at the Port. It is to be emphasized that a large 9 share of the imported steel cargo moving via the Port 10 is destined for Mexico, and these related jobs are not 11 included in the analysis. The jobs are considered to 12 be related to activities in the marine terminals at 13 the Port of Brownsville, but the degree of dependance 14 on the marine terminals is difficult to quantify and 15 should not be considered as dependant on the Port, as are the direct, induced, and indirect jobs. 16 If the marine terminals were not available to these 17 18 organizations, they would suffer an economic penalty 19 over the longer term. Such a penalty would vary from loss of employment opportunities in some cases to an 20 21 increase in total transportation cost in other cases, 2.2 which could, in turn, result in unemployment 23 reductions. 24 In 2005 marine cargo activity at the 25 marine terminals at the Port of Brownsville and the

1 ship and rig repair operations generated a total of 2 2.8 billion dollars of total economic activity in the state of Texas. Of the 2.8 billion dollars, 515.7 3 million in direct business revenue received by the 4 firms directly depended upon the Port and providing 5 6 maritime services and inland transportation services to the cargo handled at the marine terminals and the 7 8 vessels calling the Port, as well as ship and rig 9 repair and maintenance services. An additional 182.2 million dollars is used for local purchases. 10 That's 11 in our own economy. The remaining 2.1 billion dollars 12 represents the value of the output to the State of 13 Texas that is created due to the cargo moving via the 14 Port of Brownsville marine terminals. This includes 15 the value added at each stage of producing an export 16 cargo, as well as the value added at each stage of production for the firms using imported raw materials 17 18 and immediate products that flow via the marine 19 terminals, and are consumed within the state. The 20 majority of these user impacts are associated with 21 the imported steel products receipts. 2.2 Marine activity supported nearly 2.0 23 billion dollars of total personal wage and salary 24 income and local consumption expenditures for Texas This includes 486.6 million dollars of 25 residents.

1 direct, indirect, and induced and local consumption 2 expenditures, while the rate remaining, 1.4 billion, was received by the related port users. 3 The 4,695 direct job holders received 140.8 million dollars of 4 5 direct wages and salary income. A total of 44.2 6 million of state and local tax revenue was generated by maritime and ship and rig maintenance and repair 7 8 activity at the Port of Brownsville. In addition, 129.6 million of state and local taxes were created 9 10 due to economic activity of the related users of the 11 cargo moving via the marine terminals. 12 This economic activity is clearly a 13 trend we want to continue for Brownsville and South 14 The widening and deepening channel will Texas. 15 assist the port in becoming one of the premiere ports 16 in the nation. The continued funding for the 17 feasibility study and future construction is 18 necessary to make sure that the future needs of the 19 port of traffic and trade are met. 20 These are the comments for Congressman Ortiz, and just know that you will have always 21 2.2 Congressman Ortiz' full support. Thank you very much 23 for your time. 24 COLONEL WESTON: Thank you. Okay, next 25 we have -- I would like to ask Ms. Brenda Watson, who

1	
1	is representing the State Senator Eddie Lucio's
2	office.
3	MS. WATSON: Good evening. It's a
4	pleasure to be here. Senator Lucio is in Austin this
5	evening and asked me to come and read a letter off on
6	his behalf.
7	He says, "I'm pleased to support the
8	enlargening and deepening of the Brazos Island
9	Harbor, Brownsville Ship Channel, which is currently
10	being considered by a feasibility study initiated by
11	United States Corps of Engineers. Increasing the
12	depth and width of Brownsville Ship Channel and
13	turning basin would increase the economic potential
14	of the Brownsville Navigation District, including the
15	economies in and around Brownsville and Northern
16	Mexico.
17	Our port is considered a major
18	international port that supports an area that is
19	growing exponentially. We must broaden our
20	infrastructure if we are to attract additional
21	economic revenues and raise our standards to meet the
22	challenge of the 21st Century.
23	I wholeheartedly support this project
24	and look forward to its implementation in the near
25	future." And it's signed Senator Lucio. Thank you.

1 COLONEL WESTON: Thank you. Next I 2 would like to call on Councilman David Garza, or Commissioner David Garza. 3 MR. GARZA: Good evening, Colonel 4 5 Weston, Mr. Anderson, Hector, and Mr. Arambula. It's 6 a pleasure to be here to represent our judge, County Judge Carlos Cascos, who could not be here this 7 8 evening. Judge Cascos is in Austin today at a meeting and will be there for the rest of the week. On behalf 9 10 of the Cameron County Commissioners Court and the 11 Judge's office, we welcome you to Cameron County, and 12 we want to extend to you a message, and the message is 13 we strongly support, as a Commissioner's Court and 14 County Judge, the efforts by the Brownsville 15 Navigation District to deepen and enlargen the 16 channel. We feel that the economic benefits to 17 18 the residents of this county, to this part of the 19 state of Texas, and to the United States would be 20 tremendous. The potential that exists for us here, 21 having four modes of transportation, is unbelievable. 2.2 What is going to occur in the next seven years in the 23 Panama Canal could have a very great impact to our 24 navigation district here in Brownsville. 25 We believe that seven years from now,

1 when the big large ships can come through that canal, 2 we can be the first to benefit on the Texas coast to move product from Brownsville throughout the whole 3 United States at a much reduced cost for all people, 4 and provide the jobs locally for our economy here. We 5 know that, environmentally, when we work with you, 6 good things happen. We have excellent projects that 7 8 we've been working on in which we've partnered with 9 the Army Corps of Engineers, the Brownsville 10 Navigation District, and in one particular project, 11 the Bahia Grande Restoration Project, over 60 12 partners wanting to make things happen for us. 13 It's been through the help of both of 14 you up here tonight, both groups, that this was able to occur, and we know that what started out as a small 15 16 dust abatement project for Cameron County Commissioners Court has ended up in a great 17 18 restoration project for the United States, but, most 19 importantly, for our area in South Texas. The 20 benefits of what we can do together are of unlimited potential. We just hope that we will be allowed to 21 2.2 work with you in partner to be able to bring this 23 project to fruition. 24 Again, on behalf of the Commissioners 25 Court and the County Judge, we support it strongly and

1 we look forward to doing anything we can. We have 2 already implemented an RMA in Cameron County, which involves a regional mobility authority that is 3 looking at thoroughfares for product movement and 4 mobility throughout the whole county in connecting us 5 6 to interstate highways. Many projects are on the table today as we speak, some of which are already in 7 8 the drawing phases, or the drawing board phases. 9 We have projects that lead to the Port 10 of Brownsville, that will hopefully lead to an 11 interstate in Harlingen and go on to Corpus, and, you 12 know, all that mobility will do nothing more but 13 enhance and help, make sure that this project of the 14 deepening and enlarging of the channel will be the 15 most beneficial thing we can do for our area, the 16 largest economic engine that we can provide, and, of 17 course, the most jobs for our local folks. 18 Thank you, and good evening. 19 COLONEL WESTON: Thank you. Next I 20 would like to invite County Commissioner John Wood to come forward. 21 2.2 MR. WOOD: Colonel, gentlemen, my name 23 is John Wood. It's a priv -- I really appreciate the 24 opportunity to be here before you this afternoon --25 this evening.

1	It's a very important project that we're
2	looking at right now. Having been in Brownsville
3	since 1970, I've been involved in lots of things, but
4	one of the things that we've all been involved in in
5	our area is the Port of Brownsville, because of the
6	economic development it provides, because of the
7	jobs, because of it being a real focal point in our
8	area. I've seen things come and go through the Port.
9	I've seen cotton go through the Port, leave our area
10	when cotton was king in the Valley. I've seen citrus
11	shipped to Europe through the Port of Brownsville;
12	fruit juices come into the Port of Brownsville, go out
13	of the Port of Brownsville on vessels.
14	I've seen all sorts of commodities come
15	in, including well, if I remember back in the early
16	eighties, when Ixtoc Uno, the oil well in the Campeche
17	Bay of Campeche was going crazy and exploding and
18	everything, and the Port of Brownsville served as the
19	focal point at that time for bringing Barite into the
20	area. It would be offloaded as a raw ore, minerals.
21	It would be ground by three different grinding
22	companies we had here in Brownsville, packaged back
23	up and shipped down into Mexico to help control that
24	oil well.
25	Lots of things have happened here and

1 lots of history combines the Port of Brownsville with 2 our entire area. It's not just a Brownsville project. As Commissioner Garza mentioned, the entire county 3 supports it. He came over here tonight, and his area 4 5 is actually in San Benito. Our commissioner from 6 Harlingen supports it. The commissioner that actually has the Port of Brownsville in her precinct 7 8 is in Austin, also, with the county judge, learning 9 some things, getting oriented, otherwise, she would 10 be here tonight telling you of the importance that the 11 Port of Brownsville is to our entire area, and not 12 just to Brownsville, not just to Cameron County, to 13 the Rio Grande Valley as a whole, and especially to 14 Northern Mexico where a tremendous amount of our 15 commodities that come in go into Mexico. A lot of the 16 steel. I've seen all sorts of steel come and go. 17 It's interesting to see it come in in one form, go to 18 Mexico, to Monterrey, and come back and be shipped out 19 in another form, maybe into the same country it came 20 from, but because of economic abilities in Mexico and 21 in our area to be able to handle the vessels and the 2.2 cargo, it's efficient for companies to send it 23 through our port. 24 I want you to really feel like the way 25 we do who live here, the Port of Brownsville is very

1 important to us. I can look at it and I say, you 2 know, it's a berthing place for new drilling rigs, offshore drilling rigs, from AmFELS. It's also --3 it's also a cemetery for naval vessels, for other 4 5 vessels that come into the port to be dismantled, to 6 be scrapped out, for that steel to go someplace else to be regenerated into something new. 7 8 We've seen all of this happen all these 9 We're looking forward to the ship channel years. 10 being deepened and widened, because we know that this is one of the greatest economic tools that we have to 11 12 work with, and it does bring jobs, it brings families 13 together, it brings what we need to our growing area. 14 A couple of prepared comments that I'll 15 also leave with you. 16 "On behalf of Cameron County, I would 17 like to offer my strong support for the initiation of 18 the Brownsville Navigation District's efforts to 19 widen and deepen the Brownsville Ship Channel. Ι 20 believe that this project is a step in the right 21 direction and would be a critical component for the 2.2 economic vitality of this community for many years to 23 As many of us know, the Port of Brownsville is come. 24 the engine that fuels our economy and we depend 25 greatly on the jobs and industry that come to the

1 Port. 2 I look forward with much anticipation to 3 the commencement and results of the feasibility study and remain optimistic that the study will enable the 4 Port of Brownsville to move forward on this important 5 6 project. 7 If there's anything that Cameron County 8 can do, that I can do, that Commissioner Garza or the 9 County Judge can do, or the other two commissioners, 10 all we need is to know what it is that we can do to 11 help this project along. 12 We appreciate you being here. Thank you very much." 13 14 COLONEL WESTON: Next I would ask Ms. Angela Burton to come forward from the Brownsville 15 16 Chamber of Commerce. 17 MS. BURTON: Good evening. My name is 18 Angela Burton, and I am president and CEO of the Brownsville Chamber of Commerce. 19 The Chamber was 20 founded in 1937. The Brownsville Chamber of Commerce is the community's leading membership driven advocate 21 2.2 and champion for business. It's primary objective is 23 to create a climate of growth and success in our 24 community. 25 I would also like to take the

opportunity to tell you that I have Christian Edordo
 Perez and Isidro Botello Flores from the Matamoros'
 Chamber who have come here in support of this, and
 they are right there. They are from the Chamber in
 Matamoros.

6 I have to tell you, sir, that I'm very 7 happy that you're here, mostly because I can tell that 8 the process is moving along, but I've got be honest 9 with you, you're making me nervous. I spent 21 years 10 in the military and I've been in front of people like this, and you know what I'm talking about. It makes 11 12 you nervous. So, please, if you start firing 13 questions off at me, know that it might make me a 14 little nervous.

15 My testimony, I -- you know, I started 16 off with a long testimony. I even e-mailed it to 17 Donna last night, and then as the day grew on, it got 18 shorter, and shorter, and shorter, and shorter. And 19 then Denise pretty much -- really Solomon Ortiz stole 20 my -- my speech, so I'm just going to say these 21 things. 2.2 Both of the Chambers -- and I'm 23 representing both of the Chambers -- know the 24 improvements to the region -- to the Brownsville Ship

25 Channel will create a climate of growth and economic

1 success in our region. This is also reflected in the 2 economic impact study written by Martin & Associates, and I'm sure you guys are all very aware of that. 3 Additionally, the Chambers believe the 4 modification will address safety issues. 5 Brazos 6 Island Harbor has a high level of seafaring traffic that would be made safer through these efforts. 7 8 Sometimes when I imagine -- you know, we're under 9 construction, and sometimes the lanes get a little 10 narrow, and I would imagine that probably happens to seagoing vessels, as well. 11 12 Lastly, the modification would 13 potentially restore habitat. Ecotourism is a growing 14 industry in the area, and the potential for 15 restoration of habitat will contribute to an 16 increasing economic generator for the area, so that's 17 also important to us. 18 The Brownsville Chamber of Commerce and 19 the Matamoros Chamber represents more than 2,000 members interested in the region's economic vitality. 20 21 This testimony reflects the support of our members, 2.2 and our board of directors, in the Port of 23 Brownsville's effort to make improvement to the 24 Brownsville Ship Channel. We have submitted a joint 25 written testimony between the two chambers.

1 Thank you for your time. 2 COLONEL WESTON: Thank you, Ms. Burton. Okay. I would like Mr. Mike Gonzalez from the 3 Brownsville Convention and Visitors Bureau to come 4 forward. 5 6 MR. GONZALEZ: Good evening, gentlemen. 7 I bring you greetings from the board of the 8 Brownsville Convention and Visitors Bureau. The 9 mission of the Brownsville Convention and Visitors 10 Bureau is to promote Brownsville as a tourist destination to the benefit -- the economic benefit of 11 12 Brownsville. My funding comes from hotel/motel 13 lodging tax, occupancy tax. One good way to -- and 14 I'm sure you're going to hear, and you've heard that 15 Brownsville is booming. If you haven't, I'm telling 16 you it's booming. Just to give you an idea, last year 17 we ended the year with about an eight percent increase 18 -- and I'm talking about 2005, year before last --19 with an annual increase -- average increase of eight 20 percent in hotel occupancy tax. This year I'm very happy to report to you that we have increased that by 21 2.2 13 percent over that, an average. In fact, November 23 -- October and November came in at a 20 percent 24 increase. Add that -- and that's about five percent 25 over the state average of about eight percent

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1 increase in hotel occupancy tax. 2 Sixty percent of those hotel occupants are directly or indirectly in business because of the 3 Port of Brownsville. Their business -- I'm sorry, 4 they're business customers, they're business 5 6 visitors, business -- men and women doing business, 7 and due to a large part because of the Port of 8 Brownsville. 9 The Port of Brownsville is very 10 important to all of us. I think -- I am very pleased to see Matamoros here, people representing Harlingen. 11 12 In fact, there was -- I know this for a fact, there 13 was a video produced by the McAllen Chamber of 14 Commerce that we saw that was sent to Germany, and in 15 that video they had pictures of the Port of 16 Brownsville and they called it the McAllen -- Port of 17 McAllen. I haven't forgiven them for that, but, you 18 know, it works to make us proud of what we have here, 19 and we're all very very aware of what we have. 20 So I'm here to talk to you and bring you a short message of hearty support for the Brazos 21 2.2 Island Harbor deep draft navigation project from my 23 board and staff of the Brownsville Convention and 24 Visitors Bureau. 25 And thank you very much for the

1	
1	opportunity to address you all and be here tonight.
2	Thank you.
3	COLONEL WESTON: Thank you. Next I
4	would like Mr. Dewey Cashwell for the Town of South
5	Padre Island to come forward, please. I know he was
6	on the way. Is he here yet? Not here yet? We'll
7	come back to him. How about Ms. Kate Ball from the
8	Town of South Padre Island? Is she here yet? Not
9	here yet? Okay. Then we'll go to Mr. C.Y. Ho from
10	Keppel AmFELS, Incorporated.
11	MR. HO: I'm C.Y. Ho, president and CEO
12	of Keppel AmFELS. Thank you for this opportunity to
13	speak to you Colonel Weston, Chairman Martin
14	Arambula, Mr. Hector Lopez, and Mr. Carl Anderson.
15	I'm very encouraged today to see that
16	the finding from the reconnaissance study recommend
17	further feasibility study, further study to develop
18	this depending and widening project for the channel.
19	I was very encouraged because during the last few
20	years that I've been president of the Keppel AmFELS,
21	it was sad that I had to actually turn away a few very
22	big jobs. Physically where the customer preferred
23	this yard here over other to bring it here, and we
24	have to just say, "Sorry, we cannot bring you in."
25	And other than those few big projects which we know

for sure that were bound to have come and we have turned away, there were actually many other projects potentially that would have come here, except for the fact that it is quite well-known to the rig community about the constraints that we have in bringing the rigs up here.

Actually, Keppel AmFELS has very good 7 8 facilities and very well equipped, and we can 9 actually accommodate all the largest rigs that are 10 operating in the world. The only constraint is 11 actually -- we are actually limited by the size of the 12 vessels that can move up the channel. So -- and this, 13 of course, the limitation become about because of the 14 constraint of the water depth and the width of the 15 channel.

So just to give you some indication, 16 right now the channel with a 250 feet width is a 17 18 tremendous constraint, because in the -- currently in 19 the world today, I will say that about for the 20 semisubmersibles, about 30 percent of the 21 semsubmersibles today have width over 250 feet, and 2.2 so -- and some of them go to as much as 335 feet. So 23 for any vessels beyond 250, we won't be able to bring 24 them in. Now considering that there are about 200 25 semisubmersibles in the world today, about 30 percent

1 will translate to about 60 rigs, and each rig, if it 2 comes in here, we have a revenue of -- direct revenue for the contract value of about 20 to 40 million 3 dollars. Some could be more, but everything is about 4 20 to 40 million. 5 6 So you can -- certainly the impact 7 directly to Keppel AmFELS is very high, but certainly 8 the impact to the community will be very great, as 9 well. Right now, currently, in fact, we employ about 10 -- close to 3,000 people right now, because the yard 11 is very busy. I'm sure with the widening, we can see 12 a 20 to 30 percent growth. I'm quite confident to say 13 that. 14 Now the other development is that with the shortage of oil and gas in the shallow waters, 15 16 more and more explorations are going to deeper 17 waters. And so besides the rigs today, there are more 18 rig owners wanting to enlarge their rigs, so we're 19 probably going to see more larger and larger rigs. So 20 in some of the old rigs, the owners would actually 21 want to enlarge. 2.2 Now the small rigs, if we want to 23 convert to larger rigs we cannot do it, because after 24 the conversion they'll be too large to go out the 25 They cannot go out, so the reverse is true, channel.

1 as well. 2 So I am very glad that this widening project, as well as the deepening -- now widening is a 3 more important constraint, because I can see that 4 more rigs are constrained by the width, but the 5 6 deepening will also certainly help us to bring in more rigs, because some of the rigs have propellers which 7 8 are deeper than 42 feet, and they represent a 9 constraint. 10 So overall, in short, I'm just -- just 11 to add on our support, strong support, for this 12 deepening and widening project, and I'm very 13 encouraged, and I hope that this place will be a very 14 place with more yards than Keppel AmFELS. 15 COLONEL WESTON: Next I would ask Mr. 16 John Shergold, Propeller Club of United States to 17 come forward. 18 MR. SHERGOLD: Honorable Commission, 19 Colonel, thank you very much for being -- and I want 20 to thank Commissioner Arambula for inviting me here 21 tonight. My name is John Shergold and I'm the 2.2 president of the Brownsville Chapter of the Propeller 23 Club, and probably you all know and a lot of people in 24 this room know, we're here to facilitate good 25 relations with the maritime industry, and a lot of our

1 members are here tonight, and it's been exciting for 2 I'm a North Texas boy who came down here on a me. Greyhound bus about 14, 12 years ago. I thought I was 3 in Raymondville, Texas. I got off the bus, and they 4 5 said, "No, son, you need to get down to Brownsville. That's where you're heading to." So it's been an 6 adventure down here for me for many years, and it's 7 8 been an honor for me to get to know this community 9 like I have, and I'm here tonight to, basically, speak 10 on my behalf as to some of the concerns that I have concerning the Port, and I would like to go ahead and 11 12 read my prepared statement, please. 13 It's a great pleasure to be in front of 14 this committee tonight to share my concern as to the 15 negative impact that will and is occurring due to the 16 shoaling issues and the lack of depth of our ship 17 channel. With great interest I watched your 18 presentation, and a lot of the issues that you 19 presented tonight are right on point with what I think 20 my concerns are. 21 I'm the president of the Propeller Club 2.2 of the United States for the Brownsville/Port Isabel 23 Chapter, and many of our members have businesses and 24 shipping interests at our local port. I am very 25 concerned about the inability to service steel ships

1 at dock number 15, due to the fact that the entry to 2 the ship channel is less than 42 feet sometimes, which is the minimum requirement for ships of that 3 displacement to pass through. I was really happy, I 4 was really excited to hear what you all have proposed 5 6 tonight, because it looks like that you're going well over 48, even up to 52 feet, and, you know, I'm really 7 8 learning about this process, and so it's really 9 important for our community to get these big ships in 10 here. And if we can't the big ships in here, they will go somewhere else, and I know that Chairman 11 12 Arambula has worked tirelessly, as well as 13 Commissioner Masso at the Port and the other 14 commissioners to accomplish that task, and I want to 15 congratulate you all for it. 16 However, I want to go into another 17 concern I have I would like to share; especially, I'm 18 glad the Colonel is here. We have somebody with 19 senior officer rank, so I'm glad you're here, sir. 20 It is imperative that the U.S. Corps of 21 Engineers provide our area on the South Texas Coast to 2.2 dredging ship, just as dispatched a year ago, namely 23 the U.S. Wheeler, dispatched from New Orleans. You 24 all, I am so proud to let you -- everybody know here 25 that my father-in-law, or my suegro, as they say in

1	Spanish, married a girl here from Brownsville, so
2	she's teaching me good Spanish, but, anyway, my
3	father-in-law served on the U.S. Wheeler for many
4	years, Colonel, and also I want to let the rest of the
5	board members know that, and I've gotten a lot of
6	experience from asking him questions about what could
7	happen if what could we do better, as far as the
8	dredging operations. He likes to tell me, "John, I'm
9	just an Indian. I'm not one of those chiefs." So
10	so you know what, if we listen to the Indians and not
11	the chiefs, we probably learn a lot more, and this is
12	what I've learned.
13	In fact, my father-in-law served on this
14	ship, the Wheeler, for many years. Of paramount
15	importance, it is vital, in my opinion, that our newly
16	elected Congress and I believe that Ms. Blanchard
17	was here and she just had to leave unfortunately a
18	minute ago but it's of paramount importance, in my
19	opinion, that our newly elected Congress be
20	petitioned to provide more resources, such as
21	additional funding for ships dedicated to dredging
22	operations. And, Colonel, it's no fault of yours.
23	You can only do so much with the materials you have,
24	and I congratulate you for the job you do with the
25	lack of resources that I know that you don't have at

1	your disposal. I know you can't say that publicly,
2	but I can, because I'm just a private citizen; or I'm
3	a private, as you might want to say.
4	Twenty years ago there were at least 15
5	ships dedicated to dredging operations. Twenty years
6	ago there were at least 15 ships assigned nationwide
7	under the command of the Corps, however, today only
8	three or four ships are on assignment, and that's
9	around the United States.
10	The Wheeler stands today idle in New
11	Orleans ready for an assignment. While private
12	shipping companies have gained favor to conduct
13	dredging operations under our current executive
14	branch of government in Washington, D.C. Although
15	there are good arguments to be made concerning
16	privatization of government duties, I believe that
17	this policy has led to the situation that our port,
18	like so many others, face today because our federal
19	government has a responsibility to maintain the
20	navigatability of our waterways and hopefully with
21	the good efforts of local congressmen, such as
22	Congressman Ortiz and the newly elected Congress,
23	progress can be made to restore the Corps of Engineers
24	dredging fleet.
25	I just think it's so important that

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1 everybody in this room today and the public 2 understands that those dredges are vital to getting that sludge and all of that material out of our ports. 3 Every time we have a storm like -- I've learned this 4 5 from Chairman Arambula -- every time we have a storm 6 that comes in, we've got more debris, more stuff that gets in there and jams up these ports. The Wheeler --7 8 in my opinion, the U.S. Government ought to go ahead 9 and fund these dredging operations, restore the 10 dredging fleet as it was 20 years ago. I have nothing against private industry, however, I think sometimes 11 12 the government can and in some situations, very 13 limited sometimes situations, can do a better job in 14 assisting and making sure these waterways are clear. 15 With that, I appreciate it, I hope that 16 we can get the funding that's necessary to restore the dredging fleet that it once was, and I hope that this 17 18 -- what I've said tonight may have shed a little bit 19 of light on one of the problems I see that needs to be 20 fixed in order to make our port a world class 21 organization. 2.2 Thank you very much. 23 COLONEL WESTON: Thank you. Okay. Next 24 I would like to have A. Glenn Simpson, from A. Glenn 25 Simpson & Associates.

1 MR. SIMPSON: Hi there. My name is 2 Glenn Simpson. I'm originally from Florida, served on the South Florida Water Management Board and 3 participated in the Everglades Restoration Project. 4 I have a lot of experience with large ecosystem 5 6 projects, as this one truly is. The economics of this project speaks for 7 8 itself. I mean, the only concern I would have maybe 9 there is some conservatism used in the numbers 10 projecting growth in this area, because from 11 everything I see, this area is really exploding, far 12 beyond what has been projected. That just multiplies 13 the economic advantage of doing this port. 14 I'm here because I've been asked to 15 represent a couple of friends, neighbors, that are 16 concerned about the ongoing maintenance and being 17 able to make sure that that's considered up front, as 18 to how this can be designed and managed to where it 19 will minimize any impacts and ongoing problems. Ι 20 understand there are some inflows that are flowing 21 into the existing channel that are causing some 2.2 issues that perhaps could be addressed. 23 There are many ways to do this, and it 24 sounds like the plan to go ahead with the design and 25 engineering phase is the appropriate time to really

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1 take a look at how to solve some of these problems 2 that perhaps will even enhance some of the existing restoration projects that are going on. Installing 3 things such as stilling basins, detention areas, 4 spreader swells, to try to control the inflows and 5 6 manage and keep the velocity down so that there's -reduce the siltation back into the channel is 7 8 something that would be -- be very important to 9 consider in this design. 10 The design to improve the hydro period 11 and title flushing to some of the adjacent ecosystems 12 is critical. I think that that is something that would be taken care of in this design phase and the 13 14 economic phase. One thing I would like to suggest to the 15 16 Navigation District that we found very helpful in working on major restoration projects, and that's 17 18 establishing knowledgeable peer review committee to 19 participate in the engineering design and 20 construction phase to make sure that there's some unity in the way that -- the intent of the district is 21 2.2 carried out, and to bring in a few knowledgeable 23 people to -- as peers of those that are doing the 24 designing, and the construction, to make sure that 25 this project is built to where you don't look like we

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1	had to in Florida and say, "Gee, what have we done",
2	you know, 50 years later, and then spend millions and
3	millions of dollars trying to correct that.
4	So those are my comments. I'm really
5	glad to see this project is going forward, and it
6	sounds like that everybody is working hand-in-hand
7	and I think it will be a very successful thing.
8	Thank you.
9	COLONEL WESTON: Thank you, Mr. Simpson.
10	Next, I would like Mr. Anthony Reisinger.
11	MR. REISINGER: Hi. My name is Anthony
12	Reisinger, and I'm a student at the University of
13	Texas at Brownsville, and I just wanted to voice my
14	concerns on the widening of the ship channel and hope
15	that you will pay attention to the negative impacts
16	that the deposition of the dredge spoil has created.
17	Areas where you all I guess you call them berthing
18	areas, where you take out the sediments and lay them
19	out, don't have vegetation because there is some sort
20	of physical or chemical component to them that
21	doesn't allow vegetation to grow, and that creates,
22	as everyone knows, dust problems in the area. And I
23	think that increasing the size of these dredge spoil
24	areas, and also making new dredge spoil sites will
25	increase the amount of dust that is blown in the area

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1 and could potentially cause economical impacts to the 2 areas because of the dust blowing in there and could disrupt transportation and various other things, and 3 I would also hope that in the creation of new dredge 4 5 spoil sites -- or deposition sites, that you take into 6 account the ecological impacts, as well. And that's all I wanted to say. 7 8 COLONEL WESTON: Thank you very much. 9 Next Mr. Dewey Cashwell from the Town of South Padre 10 Island, the city manager. 11 MR. CASHWELL: Good evening, gentlemen. 12 Thanks for the opportunity to speak. This is, 13 obviously, a wonderful project. I know you've heard a 14 number of folks speak in favor of it. It's critical 15 to the economy of Texas, it's critical to the economy of the United States, and it's certainly important to 16 17 this area. We support it, as well, on South Padre 18 Island, and I'm here to tell you that we want what you 19 don't want, and that's what you're taking out. You're 20 going to be dredging that channel, you're going to get 21 that sand, and you're going to want to do something 2.2 with it, and we're suggesting to you, imploring you, 23 in fact, to please make provision to work with us, as 24 you have so many wonderful times in the past, to place 25 that sand on the beaches of South Padre Island.

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1 I'm here to tell you that the need is 2 extremely critical. Our beaches on South Padre Island took serious damage in 2005. One would not 3 expect that, since we didn't get a direct hit from a 4 5 hurricane, but we certainly got some high tides, and 6 the devastation to our beaches, particularly on the north end of the Island, about four miles up form 7 8 where this channel is, has been tremendous. 9 We anticipated a dredge and a 10 participatory experience with you all to pump that 11 sound up earlier, then we kind of did a little roller 12 coaster ride on that, and now, unfortunately, it 13 looks like we're going to be disappointed that it is 14 not going to occur this time. I'm sorry that's the 15 I hope you can find a way to perhaps change case. 16 that scenario, but, if not, we ask, sincerely, that 17 you please consider this subject within the context 18 of all such future dredges, and I'm here also to tell 19 you that the Island of South Padre, and the town and 20 it's people are ready to step up to the plate and do 21 their fair share, whatever it takes, in terms of cost 2.2 and in terms of effort and energy to make that happen. 23 So, please consider our beaches. They, 24 too, are a huge part of the economy of this area and 25 the economy of Texas. I think if you'll check the

1	records, you'll find that Commissioner Jerry
2	Patterson, General Land Office Commissioner for the
3	State of Texas, has made it his highest priority to
4	seek a permanent and ready source of sand to apply on
5	the beaches that are needing to be renourished in
6	Texas, and I can tell you we're at the top of the
7	list.
8	So please consider that, and thank you
9	for your time.
10	COLONEL WESTON: Ms. Kate Ball from
11	South Padre, is she here? Okay.
12	MS. BALL: Good evening. My name is
13	Kate Ball. I'm the city planner for the town of South
14	Padre Island, and I am here, also, to encourage you to
15	use beneficial use of the dredge material on the
16	on the town's beaches. We've partnered in the past,
17	and the nineties were very good years for the town.
18	The last several years there have been some hiccups
19	there, and we strongly implore you to please consider
20	the town for that beach quality sand.
21	Thank you.
22	COLONEL WESTON: Okay. We've gone
23	through our list of cards. Is there anyone else who
24	wishes to speak that didn't get a chance to put a card
25	in. Okay, sir, go ahead.

1	MR. BARRERA: My name is Dagoberto
2	Barrera. I'm really in support of this organization,
3	and the project itself, but I would also like to
4	recommend and ask the CEO from AmFELS if we go $80/20$,
5	that I understand most of the projects are done that
6	way, 80 percent by the federal government and 20,
7	AmFELS, who is making a lot of money and is growing,
8	and a lot of that money is going out of our United
9	States boundaries, that AmFELS can also contribute
10	money, of course, on that 20 percent.
11	Thank you very much.
12	COLONEL WESTON: Thank you. Anyone
13	else?
14	MS. ZAMORA: Hi. Good evening, Colonel.
15	It's good to see you again. I had the pleasure of
16	meeting him this morning at the county judge's
17	office. My name is Melissa Zamora. I am assistant to
18	County Judge Carlos Cascos. Mr. Arambula, Mr. Lopez,
19	Mr. Anderson, and respective members of the BND, I'm
20	here to reiterate much of what Commissioner Garza and
21	Commissioner Wood has already said, and, of course,
22	Denise Blanchard with Congressman Ortiz' office, so I
23	don't really want to go over the details and the
24	specifics, but just so that you know that we also
25	support, greatly support, the deepening and widening

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of this channel.

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2 And something that I want to point out is I seem to always find the human aspect to these 3 types of projects, and I used to be an employee of the 4 Town of South Padre Island, and on my way home, I had 5 6 the pleasure of driving through the Bahia Grande looking at the birds, and driving through the traffic 7 8 jam right past the Port of Brownsville, and many 9 people used to frown on that, but I don't, because it 10 generally means that there's a great economic impact 11 there for Cameron County. And I liken that to an 12 Atari game known as "Frogger", and you have to drive 13 through and you see all of these people coming out of 14 the Port of Brownsville and they're holding their 15 lunch boxes, and you stop at a gas station and you see 16 that their hands are dirty and their faces are dirty, 17 but it truly means that the Port of Brownsville 18 contributes to a strong work ethic, which is very 19 symbolic to me of the American way of life. So 20 deepening this channel will contribute to that 21 because strong work ethic is very important to 2.2 Cameron County. 23 COLONEL WESTON: Thank you. Okay. Ιs 24 there anyone else who would like to participate? 25 MR. LERMA: Good evening, gentlemen.

1 I'm Jorge Lerma with the Brownsville Firefighters 2 Association, and I'm actually here in lieu of our president for our association, Marco Longoria. 3 I just wanted to mention that we are in 4 5 big support of this type of a project in reference to 6 providing for more and better paying jobs in that sense, and we always try to support our longshoremen, 7 8 and anything we can do to support this project to help 9 them out, we're all willing to do that, and to be 10 quite honest with you, I'm here to deliver a letter to the commissioner here, if I may. 11 12 And I would like to thank you all for 13 all of your efforts and I appreciate the opportunity 14 to speak. Thank you. 15 COLONEL WESTON: Okay. Is there anyone else who would like a chance to address the crowd? 16 No 17 one? 18 Okay. I thank all of you for your 19 participation. I would like to remind you if you 20 desire to submit a written statement for inclusion in 21 the record, whether you made an oral statement 2.2 tonight or chose not to, you can take your statement 23 to the registration table in the foyer to the rear, or 24 you can send your written comments to the address 25 identified previously on the screen.

1 In conclusion, the official record for 2 this action will be open for 30 calendar days. Your 3 written statements received on or before March 2nd, 2007 will be included in the meeting record. That's 4 March 2nd, 2007. 5 6 I would like to thank the Brownsville 7 Navigation District for their efforts and assistance 8 in this meeting, and I thank you all for your 9 attendance and the interest that you have shown, and I 10 encourage you to continue as we go down the road on 11 this project to be a part of this study process and 12 keep providing your value added input so that we can 13 make this the best project for this community that we 14 can make it from all the various aspects that we've 15 heard addressed today. 16 So thank you very much for your attendance, and please drive safely on your way home. 17 18 This meeting is officially adjourned. 19 20 (The deposition was concluded at 8:35 p.m.) 21 2.2 23 24 25

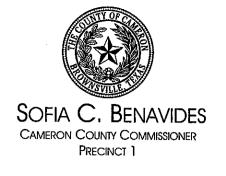
BROWNSVILLE NAVIGATION DISTRICT BRAZOS ISLAND HARBOR PORT DEEPENING FEASIBILITY STUDY

REPORTER'S CERTIFICATION Taken on 1-31-07

I, GERALD SMITH, Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the above and foregoing contains a true and correct transcription of the proceedings held on January 31, 2007.

Certified to by me this _____ day of _____, 2007.

GERALD SMITH, Texas CSR #2305 Expiration Date: 12-31-07 Action Reporting, Firm #13 P. O. Box 4513 McAllen, Texas 78502 (956) 631-1024



CAMERON COUNTY COURTHOUSE 1100 EAST MONROE STREET BROWNSVILLE, TEXAS 78520

PHONE: (956) 574-8167 FAX: (956) 544-0820 E-MAIL: sofia.benavides@co.cameron.tx.us

January 31, 2007

U.S. Army Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229

Dear Colonel Weston:

On behalf of Cameron County, I would like to offer my strong support today for the initiation of the Brownsville Navigation District's efforts to widen and deepen the Brownsville Ship Channel.

I believe that this project is a step in the right direction and will be a critical component for the economic vitality of this community for many years to come. As many of us know the Port of Brownsville is the engine that fuels our economy and we depend greatly on the jobs and industry that come to the Port.

I look forward with much anticipation to the commencement and results of the feasibility study and remain optimistic that the study will enable the Port of Brownsville to move forward on this important project. If there is anything Cameron County can do to help during the feasibility study phase please do not hesitate to contact me.

Sincerest regards,

ia C. Benavides

Sofia Č. Benavides Commissioner, Pct. 1

The Senate of The State of Texas



Senator Eddie Lucio, Jr.

January 31, 2007

United States Corps of Engineers

Dear Sir/Madam:

I am pleased to support the enlarging and deepening of the Brazos Island Harbor (Brownsville Ship Channel) which is currently being considered by a feasibility study initiated by the United States Corps of Engineers.

Increasing the depth and width of the Brownsville Ship Channel and Turning Basin would increase the economic potential of the Brownsville Navigation District, including the economies in and around Brownsville and Northern Mexico.

Our Port is considered a major international port that supports an area that is growing exponentially. We must broaden our infrastructure if we are to attract additional economic revenues and raise our standards to meet the challenges of the 21st Century.

The potential restoration of wildlife habitat would protect our native species and provide an environment designed specifically for their needs. It would also generate additional revenues in eco-tourism which is one of the fastest growing sectors of our local economy.

I wholeheartedly support this project and look forward to its implementation in the near future.

Sincerely,

Eddie Lucio, Jr.

State Senator

ELJ/bbw



ommittee Membership: Chairman, Committee on Border Affairs * State Affairs * Natural Resources * Sunset Advisory Commission * Subcommittee on Infrastructure P.O. Box 12068 * Austin, Texas 78711 * 512/463-0127 * Fax: 512/463-0061 * TDD: 1-800-735-2989 100 E. Cano, Suite 101 * Edinburg, Texas 78539 * 956/387-0445 * Fax: 956/387-0443 P.O. Box 5958 * Brownsville, Texas 78523 * 956/548-0227 * Fax: 956/548-0440

Remarks by Denise Blanchard On behalf of <u>Congressman Solomon P. Ortiz</u> On the Brownsville Navigation District's Widening and Deepening Program

January 31, 2007

Since the authorization of the reconnaissance study in July of 2000, the Federal Government has played a big role in assisting the Port of Brownsville expansion and growth into one of the premier ports in the nation.

The reconnaissance study was originally authorized because the future economic demands dictate that the Port of Brownsville will need to be improved in order to meet the Transportation and Trade needs of the region and cross-border trade with Mexico.

For the past two years, the Congress has approved appropriations for the Corps of Engineers Feasibility Study – further showing support for this important project. Although the WRDA reauthorization has been stalled in Congress for many years now, the Brownsville Navigation District Widening and Deepening Project continues to gather support.

WHY?

Over two and one-half million deep draft tons pass yearly through the <u>Port of</u> <u>Brownsville</u>, TX.

- Forty percent, representing cargo bound for or coming from Mexico.
- Mexico is a stone's throw from Brownsville, across the Rio Grande River.
- If total yearly deep draft commerce at Brownsville is about 2.5 million tons, then almost 40 percent (940 thousand tons) is Mexican trade. And if such a situation is not unique in the world, certainly it is rare.
- Port of Brownsville offers an excellent strategic location for security and economic concerns.

SUMMARY OF IMPACTS GENERATED BY THE PORT OF BROWNSVILLE

From the October 2006 study that looked at the local and regional economic impacts of the Port of Brownsville, the economic impacts generated by the marine cargo terminals and ship repair/oil rig maintenance operations are summarized in Exhibit E-2.

Exhibit E-2

Summary of the Local and Regional Economic Impacts Generated by The Port of Brownsville (State of Texas)

	MARINE TERMINALS	SHIPYARD/OIL RIG REPAIR OPERATIONS	TOTAL
JOBS			
DIRECT	2,671	2.024	4,695
INDUCED	1,539	906	2,446
INDIRECT	1,895	1,542	3,437
RELATED JOBS	27,851	NA	27,851
TOTAL	33,956	4,472	38,428
PERSONAL INCOME (\$1,000)			
DIRECT	\$79,763	\$61,043	\$140,806
RE-SPENDING/CONSUMPTION	\$137,231	\$61,550	\$198,781
INDIRECT	\$93,074	\$53,974	\$147,048
RELATED INCOME	<u>\$1,439,494</u>	NA	\$1,439,494
TOTAL	\$1,749,562	\$176,567	\$1,926,129
ECONOMIC VALUE (\$1,000)			
DIRECT REVENUE	\$306,775	\$208,935	\$515,710
LOCAL PURCHASES	\$111,232	\$70,933	\$182,165
RELATED OUTPUT	\$2,081,676	NA	<u>\$2,081,676</u>
TOTAL	\$2,499,684	\$279,867	\$2,779,551
STATE & LOCAL TAXES (\$1,000)			
DIRECT, INDUCED AND INDIRECT	\$27,906	\$16,244	\$44,150
RELATED STATE AND LOCAL TAXES		\$10,244 NA	
TOTALS	\$157,461	\$16,244	<u>\$129,554</u> \$173,705

TOTALS MAY NOT ADD DUE TO ROUNDING

Specifically, the vessel and cargo activity at the marine cargo facilities and ship repair/oil rig maintenance operations generated the following impacts in the State of Texas in 2005:

38,428 jobs in Texas are in some way related to the cargo moving via the marine terminals and activity at the ship and rig repair yards. Of the 38,428 jobs:

- 4.695 direct jobs are generated by the marine cargo and vessel activity and ship and rig repair operations. Of the 4,695 direct jobs, marine cargo activity supports 2,671 direct jobs, while the ship and rig maintenance and repair operations generate 2,024 direct jobs.
 - As the result of local and regional purchases by those 4,695 individuals holding the direct jobs, an additional **2,446 induced jobs** are supported in the regional economy.
 - **<u>3.437 indirect jobs</u>** were supported by \$182.2 million of local purchases by businesses supplying services at the marine terminals and by businesses dependent upon the Port of Brownsville for the shipment and receipt of cargo and on the ship and rig repair operations.

In addition to the direct, induced and indirect job impacts, 27,851 jobs in Texas are related to the cargo moving over the marine terminals at the Port. It is to be emphasized that a large share of the imported steel cargo moving via the Port is destined for Mexico, and these related jobs are not included in the analysis. The jobs are considered to be **related** to activities at the marine terminals at the Port of Brownsville, but the degree of dependence on the marine terminals is difficult to quantify and should not be considered as dependent on the port as are the direct, induced and indirect jobs. If the marine terminals were not available to these organizations, they would suffer an economic penalty over the longer term. Such a penalty would vary from loss of employment opportunities in some cases to an increase in total transportation costs in other cases, which could, in turn, result in employment reductions.

In 2005, marine cargo activity at the marine terminals at the Port of Brownsville and the ship and rig repair operations generated a total of \$2.8 billion of total economic activity in the State of Texas.

Of the \$2.8 billion, \$515.7 million is the direct business revenue received by the firms directly dependent upon the Port and providing maritime services and inland transportation services to the cargo handled at the marine terminals and the vessels calling the port, as well as ship and rig repair and maintenance services. An additional \$182.2 million is used for local purchases. The remaining \$2.1 billion represents the value of the output to the State of Texas that is created due to the cargo moving via the Port of Brownsville marine terminals. This includes the value added at each stage of producing an export cargo, as well as the value added at each stage of producing for the firms using imported raw materials and intermediate products that flow via the marine terminals and are consumed within the state. The majority of these user impacts are associated with the imported steel products receipts.

Marine activity supported nearly \$2.0 billion of total personal wage and salary income and local consumption expenditures for Texas residents. This includes \$486.6 million of direct, indirect, induced and local consumption expenditures, while the remaining \$1.4 billion was received by the related port users. The 4,695 direct job holders received \$140.8 million of direct wage and salary income.

A total of \$44.2 million of state and local tax revenue was generated by maritime and ship and rig maintenance and repair activity at the Port of Brownsville. In addition, \$129.6 million of state and local taxes were created due to the economic activity of the <u>related users</u> of the cargo moving via the marine terminals.

This economic activity is clearly a trend we want to continue for Brownsville and South Texas. The Widening and Deepening Project will assist the Port in becoming one of the premier ports in our nation. The continued funding for the feasibility study and future construction is necessary to make sure that the future needs of Port traffic and trade are met.

Brownsville Firefighters Association Local 970 of the International Association of Firefighters Marco Longoria-President

To: Mr. Martin Arambula-Chairperson Port of Brownsville Navigation District Board of Commissioners

From: Marco Longoria-President B.F.F.A. L-970

Date: 01-26-07

Re: Deepening of ship channel Port of Brownsville

Dear Mr. Arambula,

First of all allow me to congratulate you and the board of commissioners at the Port Brownsville for the job you do. It takes a team of intelligent, hard working group of people like yourselves to make our great Port of Brownsville what it is now.

Mr. Arambula, as per our conversation a few days ago, I would like to reduce my thoughts to writing. You have expressed your interest in deepening the ship channel at the Port of Brownsville. I feel that a project of that magnitude would bring nothing but prosperity to our great Port. A deeper channel would attract bigger and more ships to this area. In turn, industry at the Port of Brownsville would experience an increase in traffic of various forms. As a labor group advocate, I support the idea with enthusiasm. That sort of increase would only mean more job opportunities for our community and a definite increase of job openings for our union brothers of the International Longshoremen Association. It would be a winwin situation for industry, labor, and economic development as a whole. I ask you to call on myself and the Brownsville Firefighters for any help that we may be able to provide. Again thank you and congratulations on a job well done.

Sincerely,

m_c. m-

Marco A. Longoria (956) 639-0713



CARLOS H. CASCOS, CPA COUNTY JUDGE

1100 E. MONROE STREET BROWNSVILLE, TEXAS 78520 . County Courthouse (956) 544-0830 Fax: (956) 544-0801 1-866-544-0830

January 31, 2007

U.S. Army Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229

Dear Colonel Weston:

On behalf of Cameron County, I would like to offer my strong support today for the initiation of the Brownsville Navigation District's efforts to widen and deepen the Brownsville Ship Channel.

I believe that this project is a step in the right direction and will be a critical component for the economic vitality of this community for many years to come. As many of us know, the Port of Brownsville is the engine that fuels our economy, and we depend greatly on the jobs and industry that come to the Port.

I look forward with much anticipation to the commencement and results of the feasibility study and remain optimistic that the study will enable the Port of Brownsville to move forward on this important project. If there is anything Cameron County can do to help during the feasibility study phase, please do not hesitate to contact me.

Sincerest regards, Melissa q. Jamora for Carlos H. Cascos

Carlos H. Cascos, C.P.A. County Judge



January 31, 2007

RE: Brazos Island Harbor Feasibility Study

Department of the Army, Galveston District Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229

To whom it may concern:

The key to economic success of this region is in the ability to increase and maintain commercial traffic through our different ports of entry. Brownsville needs to maintain the essential lifelines that help move goods through this region and in the process, provide jobs and support for our human capital.

One of those lifelines is the Port of Brownsville and the Brazos Island Harbor, also known as the Brownsville Ship Channel.

Such a resource is vital in our efforts to protect and cultivate commerce. The Channel is part of an integral piece of the engine that drives our local economy and contributes significantly to a region of nearly 1 million people.

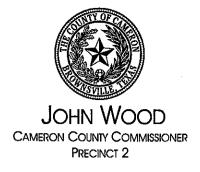
The BEDC advocates for continued investment in the region's infrastructure – such as the Brownsville Ship Channel – to stimulate economic growth and prosperity. Every time a ship comes into our Channel, thousands of direct and ancillary jobs are created throughout the region. The Port is not only a reliable transportation and distribution center for goods, it is an incubator for employment, investment and fresh money.

The BEDC supports investing in the region's infrastructure needs to build and move Brownsville forward.

Thank you for your time and attention to this matter.

Sincerely,

Jason Hilts President and CEO Brownsville Economic Development Council 301 Mexico Blvd., Ste. F-1 (ITEC Campus) Brownsville, Texas 78520



CAMERON COUNTY COURTHOUSE 1100 E. MONROE ST. BROWNSVILLE, TEXAS 78520

PHONE: (956) 983-5091 FAX: (956) 983-5090 E-MAIL: **jwood@co.cameron.tx.us**

January 31, 2007

U.S. Army Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229

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Sincerest regards,

John Wood Commissioner, Pct. 2



January 31, 2007

Department of the Army Galveston District Corps of Engineers P.O. Box 1229 Galveston, TX 77553-1229

Re: Letter of Support for Improvements to Brazos Island Harbor

To Whom It May Concern:

The success of U.S. international trade depends on a viable and safe navigation system as well as the intermodal infrastructure to handle the efficient movement of cargo into and out of our ports. In fact, according the American Association of Port Authorities, in the next twenty years international trade, of which 95% by volume enters through the nation's ports, is expected to double. As the world's leading trading nation, the country's economic future depends on the quality of our port infrastructure and our ability to deliver goods on time and cost-effectively.

Trends in international trade, which show higher trade volumes and more concentrated infrastructure demand, has placed greater stress on the nation's surface and maritime transportation system than ever experienced before. At international gateways such as ports, and throughout inland corridors, significant infrastructure improvements are needed to handle the increased flow of goods.

Ports have responded to our fast-paced economy by investing \$1.5 billion per year to keep up with demand. They have spent nearly \$21 billion since 1946 to construct and maintain landside terminal facilities, dredge berths, and contribute to channel improvement cost-sharing programs.

One of the critical transportation infrastructure investments for the nation is maintaining our water highways — the navigation channels that lead into and out of harbors. Each year several hundred million yards of sand, gravel and silt must be removed from waterways and harbors to improve navigation safety and allow for waterborne trade.

In addition to regular maintenance dredging, improvements to navigation channels are needed to accommodate the larger vessels coming on line each year. A report prepared by Martin Associates for the Port of Brownsville states, if the channel depth was increased to 48 ft. and widened to 350 ft. it would result in the deployment of Panamax vessels replacing handymax vessels used to transport steel slab. Handymax vessels carry about 40,000 tons of slab while the Panamax vessels typically carry between 70,000-75,000 tons of slab. This would result in a substantial savings.

Brownsville Chamber of Commerce

1600 University Blvd. • Brownsville, Texas 78520 • (956) 542-4341 • Fax (956) 504-3348 email: info@brownsvillechamber.com • www.brownsvillechamber.com Leading Businesses. Leading Communities.™ Brownsville Chamber of Commerce Page 2

The Brownsville Chamber of Commerce joined by the Matamoros Chamber of Commerce know that improvements to the Brownsville Ship Channel will create a climate of growth and economic success in our region. This is reflected in the Economic Impact study written by Martin Associates for the Port of Brownsville.

Additionally, both Chambers believe the modification will address safety issues. Brazos Island Harbor has a high level of sea faring traffic that would be made safer through these efforts.

Lastly, the modification would potentially restore habitat. Eco-tourism is a growing industry in this area and the potential restoration of habitat will contribute to this environmentally sensitive environment and increasing economic generator for the area.

The Brownsville Chamber of Commerce and the Matamoros Chamber of Commerce represent more than 2,000 members with an interest in the areas economic vitality. This letter reflects the support of our members and our board of directors in the Port of Brownsville's effort to make improvements to the Brownsville Ship Channel.

If you should have any questions, please don't hesitate to contact us.

Sincerely,

IR Barti

Angela R. Burton President/CEO Brownsville Chamber of Commerce

Sincerely. Abraham/Rodriguez Padron Director General CANACIO/SERVYTUR



January 30, 2007

Department of the Army Galveston District, Corps of Engineers P. O. Box 1229 Galveston, Tx. 77553-1229

Ref: Brazos Island Harbor Feasibility Study

To Whom It May Concern:

Dix Agency has been a ship agent in the Port of Brownsville since 1947. Obviously, the three generations of family ownership have seen many changes, most notably the surrounding industry and its capacity to consume goods and raw materials. The appetite for this consumption has to be satisfied with supply of higher volumes of goods. The most cost effective way to do this is by delivering them in larger vessels saving many thousands of dollars in freight charges on each voyage. The reduction of freight charges insures that Brownsville remains a competitive and viable U.S. Gulf Port.

Presently, the Brownsville Ship Channel is authorized to 42 feet of depth. Increasing the authorized depth should not cause any operational problems or constraints. Vessels not needing the additional water depth should have an easier transit and those that will take advantage of the deeper water would not have any more difficulty than those presently using the maximum depth. In short, there has not been a safety issue raised at the present depth and I cannot expect one at the deeper depth.

Although I do not pretend to be an expert in the environmental affects of the dredging, living in Brownsville and working at the Port for 45 years has given me some first hand knowledge of the area. During this period the ship channel has been deepened twice and maintenance dredging performed numerous times. The existing placement sites for dredged material appear to be functioning very well with slight environmental deterioration. Being an outdoorsman, I can say that fish, birds, and other wildlife flourish in and along the ship channel. The restoration of the Bahia Grande is an excellent example of how the Port can work at improving the environment.

Dix Agency Brownsville, LP 5500 R.L. Ostos Road Brownsville, Texas 78521 Phone: (956)-831-2783 Fax: (956)-831-7712 E-mail: dixbroagy@dixshipping.com January 30, 2007

Department of the Army Galveston District, Corps of Engineers

Page no. 2

It is my opinion that the citizens of the United States need a deep water port in this region. It will enable the oil industry to take maximum advantage of oil production to the east making the U.S. less dependent on foreign supply. It will allow the area to grow its commerce with Mexico and other foreign countries.

Sincerely,

Robert A. Ostos



DAVID A. GARZA CAMERON COUNTY COMMISSIONER PRECINCT 3

26945 FM 510 1 ½ Mile East Bayview Road P.O. Box 182 San Benito, texas 78586

CAMERON COUNTY WAREHOUSE (956) 361-8209 FAX: (956) 361-8211 E-MAIL: DAGarza@co.cameron.tx.us

January 31, 2007

U.S. Army Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229

Dear Colonel Weston:

On behalf of Cameron County, I would like to offer my strong support today for the initiation of the Brownsville Navigation District's efforts to widen and deepen the Brownsville Ship Channel.

I believe that this project is a step in the right direction and will be a critical component for the economic vitality of this community for many years to come. As many of us know the Port of Brownsville is the engine that fuels our economy and we depend greatly on the jobs and industry that come to the Port.

I look forward with much anticipation to the commencement and results of the feasibility study and remain optimistic that the study will enable the Port of Brownsville to move forward on this important project. If there is anything Cameron County can do to help during the feasibility study phase please do not hesitate to contact me.

Sincerest regards,

David A. Garza Cameron County Commissioner, Pct. 3

Admiral Steamship Agency

January 30, 2007

Department of the Army Galveston District, Corps of Engineers P. O. Box 1229 Galveston, Tx. 77553-1229

Ref: Brazos Island Harbor Feasibility Study

To Whom It May Concern:

Admiral Steamship Agency are ship's agents in the Port of Brownsville. Over the years we have seen many changes, most notably the surrounding industry and its capacity to consume goods and raw materials. The appetite for this consumption has to be satisfied with supply of higher volumes of goods. The most cost effective way to do this is by delivering them in larger vessels saving many thousands of dollars in freight charges on each voyage. The reduction of freight charges insures that Brownsville remains a competitive and viable U.S. Gulf Port.

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It is our opinion that the citizens of the United States need a deep water port in this region. It will enable the oil industry to take maximum advantage of oil production to the east making the U.S. less dependent on foreign supply. It will allow the area to grow its commerce with Mexico and other foreign countries.

Sincerely,

Admiral Steamship Agency

Danny Rodriguez

DR/mej

2993 North Indiana Ave. · Ste #4 · Brownsville, Texas 78526 Off: (956) 831-4435 · Fax: (956) 831-4490 · TLX: 6733285 ·Cable: Admiral



www.biehlco.com

Est. 1905

2993 N. Indiana Ave., Ste. #4 · Brownsville , TX 78526 · biehlbry@biehlco.com · Tel: (956) 831-3224 · Fax: (956) 831-4490

January 30, 2007

Department of the Army Galveston District, Corps of Engineers P. O. Box 1229 Galveston, Tx. 77553-1229

Ref: Brazos Island Harbor Feasibility Study

To Whom It May Concern:

Biehl & Co., L.P. has been a ship agent in the Port of Brownsville since 1987. Over the years our company has observed many changes, most notably the surrounding industry and its capacity to consume goods and raw materials. The appetite for this consumption has to be satisfied with supply of higher volumes of goods. The most cost effective way to do this is by delivering them in larger vessels saving many thousands of dollars in freight charges on each voyage. The reduction of freight charges insures that Brownsville remains a competitive and viable U.S. Gulf Port.

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It is our opinion that the citizens of the United States need a deep water port in this region. It will enable the oil industry to take maximum advantage of oil production to the east making the U.S. less dependent on foreign supply. It will allow the area to grow its commerce with Mexico and other foreign countries.

Sincerely,

Biehl & Co., L.P.

ichard S Ludwig Richard S. Ludwig

RSL/mej

BIEHL & C.C., L.P

Department of the Army Galveston District Corps of Engineers P. O. Box 1229 Galveston, TX 77553-1229

January 31, 2007

Re: Brazos Island Harbor Feasibility Study

To Whom It May Concern:

Biehl & Co., L.P. has been in business as a shipping agent for over 100 years and in the Port of Brownsville since 1987. Over the years, this company has seen many changes within the industry, most notably the increase of the ship's DWT, when it comes to tankers/bulk carriers. We all know that the transportation by seas is the most cost effective way to transport commodities or semi-finished goods.

Presently, the Brownsville Ship Channel is authorized to 42 feet of depth. Increasing the authorized depth should not cause any operational problems or constraints. Vessels not needing the additional water depth should have an easier transit and those that will take advantage of the deeper water would not have any more difficulty than those presently using the maximum depth. In short, there has not been a safety issue raised at the present depth and we cannot expect one at the deeper depth.

During the past years, the ship channel has been dredged twice and maintenance dredging has been performed numerous times. It seems that all the sites for the dredging material are functioning well and I do not know of any environmental deterrents. I am of the firm opinion that the Port of Brownsville has to be a deep water port especially in order for the Rio Grande Valley region to prosper in the future.

Sincerely,

BIEHL & CO., L.I John Springer MI //



HODGE & SHERGOLD, L.L.P.

KIP VAN JOHNSON HODGE, P.C.

ATTORNEYS AT LAW AND MEDIATION SERVICES

JOHN "ROCA" SHERGOLD, ESO.

1534 EAST 6TH STREET, SUITE 105 BROWNSVILLE, TEXAS 78520 PH. 956-548-9100 FAX 956-548-9102

January 31, 2007

To Whom It May Concern:

It is with great pleasure to write this letter to share my concern as to the negative impact that will and is occurring due to shoaling issues and the lack of depth of our ship channel.

I am the President of the Propeller Club of the United States for the Brownsville-Port Isabel Chapter and many of our members have businesses and shipping interests at our local Port. I am very concerned about the inability to service steel ships at Dock No. 15 due to the fact that the entry at the ship channel is less than 42 feet which is the minimum requirement for ships of that displacement to pass through.

It is imperative that the U.S. Corp of Engineers provide our area on the South Texas Coast a dredging ship such as was dispatched a year ago, namely the U.S. Wheeler, dispateched from New Orleans. In fact, my father in law Arturo Villarreal served on this ship for many years. Of paramount importance, it is vital in my opinion that our newly elected Congress be petitioned to provide more resources such as additional funding for ships dedicated to dredging operations. Twenty years ago there were at least 15 ships assigned nation wide under the command of the Corp, however, today, three or four ships are on assignment. The Wheeler stands idle today in New Orleans waiting for an assignment, while private shipping companies have gained favor to conduct dredging operations under our current executive branch of government in Washington, D.C.

Although, there are good arguments to be made concerning privatization of government duties, I believe that this policy has led to the situation that our Port like so many others face today because our Federal Government has a responsibility to maintain the navigability of our waterways and hopefully with the good efforts of our local Congressman Ortiz and the newly elected Congress progress can be made to restore the Corp. of Engineer's dredging fleet.

WL "low" Su jour John 'roca' Shergold Best Regards,

RESPONSE TO COMMENTS ON DRAFT INTEGRATED FEASIBILITY REPORT AND ENVIRONMENTAL ASSESSMENT

May 2014



DEPARTMENT OF THE ARMY GALVESTON DISTRICT, CORPS OF ENGINEERS P. O. BOX 1229 GALVESTON, TEXAS 77553-1229

December 2, 2013

DEPARTMENT OF DEFENSE

Department of the Army; Corps of Engineers

Notice of Availability for the Environmental Assessment, Draft Integrated Feasibility Report, Brazos Island Harbor Channel Improvement Project, Cameron County, Texas

AGENCY: Department of the Army, U.S. Army Corps of Engineers, Department of Defense; Texas Commission on Environmental Quality

ACTION: Notice of Availability and Joint Public Notice

SUMMARY: The U.S. Army Corps of Engineers (USACE), Galveston District announces the release of the Draft Integrated Feasibilility Report and Environmental Assessment (DIFR-EA), and their public comment periods, for the Brazos Island Harbor Channel Improvement Project, Cameron County, Texas. The non-Federal sponsor for the proposed project is the Brownsville Navigation District.

PURPOSE: This public notice is to inform interested parties that the USACE, Galveston District (the District) has prepared a Draft EA in accordance with the National Environmental Policy Act (NEPA), Public Law 91-190, and regulations for implementing the Procedural Provisions of the NEPA, 40 Code of Federal Regulations 1500-1508. This notice is being distributed to interested State, Federal, and local agencies, private organizations, and individuals in order to assist in collecting facts and recommendations concerning the Tentatively Selected Plan (TSP) of channel improvements to deepen the existing authorized 42-foot mean lower low water (MLLW) channel to 52 feet MLLW and extend the offshore portion of the channel 4,000 feet (0.8 mile) farther into the Gulf of Mexico.

COMMENT PERIOD: The USACE, Galveston District will be accepting written public comments on the DIFR-EA from December 6, 2013 through January 7, 2014. Comments on the DIFR-EA must be postmarked by January 7, 2014.

SUBMISSION OF PUBLIC COMMENTS: Persons desiring to express their views or provide information to be considered in evaluating the impact of this work and the future maintenance operations are requested to mail their comments to:

District Engineer U.S. Army Engineer District, Galveston ATTN: CESWG-PE-PR P.O. Box 1229 Galveston, Texas 77553-1229 **PROJECT LOCATION:** The Brazos Island Harbor (BIH) project is located on the Gulf of Mexico coast about 3 miles north of the United States-Mexico border and east of the City of Brownsville, in Cameron County, Texas. The existing BIH project includes the Entrance and Jetty Channels which extend about 2.4 miles into the Gulf of Mexico, and the Main Channel which terminates at the Port of Brownsville Turning Basin about 17 miles inland from the Gulf of Mexico.

PROJECT DESCRIPTION: Channel deepening would improve the navigation efficiency of deep draft vessels and offshore oil rigs using the channel to access the Port of Brownsville. The 52 by 250-foot TSP would extend the Entrance Channel 4,000 feet farther into the Gulf of Mexico to reach the natural Gulf depth corresponding to the deepening project. The Entrance and Jetty Channels from Stations -17+000 to 0+000 would be deepened to 54 feet MLLW. This depth includes an additional two feet to accommodate for the effects of offshore waves on ship movements. From Station 0+000 to 84+200, the Main Channel would be deepened to a depth of 52 feet MLLW. From Station 84+200 to 86+000, the existing channel is 42 feet deep and no deepening is proposed. The channel would be maintained at the existing depth of 36 feet MLLW from Station 86+000 to the end of the Turning Basin at 89+500, as ships will have been lightloaded or unloaded before entering. No channel widening is proposed and channel side slopes would remain the same as the existing project. The actual dredging depth would be up to 4 feet deeper in the Entrance and Jetty Channels due to 2 feet of advance maintenance (AM) and 2 feet of allowable overdepth (AO), and up to 3 feet deeper in the Main Channel due to 2 feet of AM and 1 foot of AO. No improvements are proposed for the existing jetties. If the project is authorized, it is estimated that the 29-month long construction period could be finished and the project completed by 2021.

The TSP would generate approximately 14.1 million cubic yards (MCY) of new work material from initial construction and approximately 61.7 MCY of maintenance material over the 50-year period of analysis. Maintenance dredging quantities would increase approximately 14.1 percent over the existing project. New work and maintenance material would be distributed among the existing New Work Ocean Dredged Material Disposal Site (ODMDS), a nearshore Feeder Berm and existing upland, confined placement areas (PAs) 2, 4A, 4B, 5A, 5B, 7 and 8. The new work material would consist primarily of clay with minor amounts of sand, silty sand and clayey sand, and maintenance material would consist of silt and clay sediments from the Main Channel and primarily sandy sediment from the Entrance/Jetty Channels and the first 11,000 feet of the Main Channel. Maintenance material from the Entrance and Jetty Channels may be placed in the Maintenance ODMDS if the nearshore Feeder Berm is unavailable.

None of the existing ODMDS and upland PAs would need to be expanded and no new ODMDS or upland PAs would be needed. Construction to raise upland PA containment dikes to heights needed to accommodate new work and maintenance quantities would be done within the footprints of the existing PAs. New work sediments would be stockpiled within the PAs and later used to raise PA dikes incrementally as needed to contain maintenance material for the 50-year period of analysis. Final elevations of the PA dikes would range from a total elevation of 17 feet NAVD 88 around PA 5A to a total elevation of 38 feet around PA 7. Armoring of the exterior toe of the PA 4A and 4B dikes on the side facing the channel would be implemented to prevent erosion from Station 22+000 to 33+800. Maintenance material from the Entrance and Jetty Channels and the first 11,000 feet of the Main Channel would generally be placed in the

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nearshore Feeder Berm. Sediment removed by maintenance dredging would therefore be regularly placed back into the littoral system, available for cross-shore and longshore sediment transport to the beaches of South Padre Island.

STATE WATER QUALITY CERTIFICATION: TCEQ water quality certification is required. The TCEQ is reviewing the proposed project under Section 401 of the Clean Water Act and in accordance with Title 31, Texas Administrative Code Section 279.1-13 to determine if the work would comply with State water quality standards. By virtue of an agreement between the USACE and TCEQ, this public notice is also issued for the purpose of advising all known interested persons that TCEQ's decision on water quality certification is pending. Any comments concerning this work may be submitted to the Texas Commission on Environmental Quality, Attention: Water Quality Division, MC-150, P.O. Box 13087, Austin, Texas 78711-3087. The public comment period extends 30 days from the date of publication of this notice. A copy of the public notice with a description of work is made available for review in the TCEQ's Austin office.

The TCEQ may conduct a public meeting to consider all comments concerning water quality if requested in writing. A request for a public meeting must contain the following information: the name, mailing address, and telephone number of the person making the request; a brief description of the interest of the requester, or of persons represented by the requester; and a brief description of how the project would adversely affect such interest.

COMPLIANCE WITH OTHER LAWS AND REGULATIONS:

Endangered Species Act. Coordination with the U.S. Fish and Wildlife Service (USFWS) regarding potential endangered species impacts has been concluded and conservation measures recommended by USFWS will be adopted to prevent potential impacts to threatened and endangered species that may occur in the study area. Consultation with the National Marine Fisheries Service (NMFS) is underway regarding potential adverse impacts from new work construction by hopper dredges to four species of threatened and endangered swimming sea turtles (green, Kemp's ridley, loggerhead and hawksbill). Reasonable and prudent measures, developed in consultation with the NMFS, will be adopted to reduce potential impacts to these species.

Essential Fish Habitat: This notice initiates Essential Fish Habitat consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. Our initial determination is that the proposed action will not have a substantial adverse impact on Essential Fish Habitat or federally-managed fisheries in the Gulf of Mexico. Our final determination relative to project impacts and the need for mitigation measures is subject to review by and coordination with the NMFS.

Texas Council on Environmental Quality (TCEQ) Water Quality Certification: The proposed dredged material placement plan will also be evaluated with regard to the requirements of Section 404(b)(1) of the Clean Water Act. Water quality certification has been requested from the Texas Commission on Environmental Quality (TCEQ).

Air Quality: Cameron County is currently designated as in attainment or unclassifiable with National Ambient Air Quality Standards. New work and maintenance dredging would result in minor short-term effects and would not result in a significant effect on regional air quality.

Other Agency Coordination: USACE has evaluated the proposed TSP for consistency with the Texas coastal management program, and concluded that the TSP is fully consistent to the maximum extent practicable with the enforceable policies of the Texas program. No impacts to historic properties have been identified, and potential unanticipated impacts to historic properties during construction and operation will be addressed in accordance with the terms of the Historic Properties Programmatic Agreement. A determination of "no effect" is currently being coordinated with the State Historic Preservation Officer.

The following is a partial list of Federal, State, and local agencies with which these activities are being coordinated:

U.S. Environmental Protection Agency, Region 6
U.S. Department of Commerce
U.S. Department of the Interior
Eighth Coast Guard District
Budget and Planning Office, Office of the Governor of Texas
Texas Historical Commission
Texas Parks and Wildlife Department
Texas Commission on Environmental Quality
Texas General Land Office
Texas Water Development Board
Cameron County
Port Isabel-San Benito Navigation District
The City of Brownsville
The City of Port Isabel

EVALUATION FACTORS: The decision whether to proceed with the proposed action will be based on an evaluation of the probable impact of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources as well as public and environmental safety and economic concerns.

ENVIRONMENTAL DOCUMENTATION: The work described in this notice represents a change to the existing project. A preliminary review of the TSP indicates that an Environmental Impact Statement (EIS) is not required. This preliminary determination will be changed if information brought forth in the coordination process is of a significant nature. Based on this determination, a Draft EA has been prepared. The Draft EA assesses potential impacts to the human and natural environment that would result from the proposed project. The document is available online at

http://www.swg.usace.army.mil/BusinessWithUs/PlanningEnvironmentalBranch/DocumentsforPublicReview.aspx.

FOR FURTHER INFORMATION CONTACT: Questions about the proposed action and the DIFR-EA may be referred to Ms. Janelle Stokes at (409) 766-3039, or by email at <u>janelle.s.stokes@usace.army.mil</u> and Ms. Carolyn Murphy at (409) 766-3044, or by email at <u>carolyn.e.murphy@usace.army.mil</u>.

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Chief, Planning, Environmental and Regulatory Division Galveston District

From:	John Trevino
To:	Stokes, Janelle S SWG
Cc:	Gracey Gray; Gregg Easley
Subject:	[EXTERNAL] Comment to Draft Integrated Feasibility Report and Environmental Assessment - Brazos Island
	Harbor Channel Improvement Project, Cameron County, Texas
Date:	Friday, January 03, 2014 3:26:29 PM

Ms. Stokes,

I am the reviewer for the TCEQ for the Draft Environmental Assessment (DEA) referenced above. The Corps has requested water quality certification from TCEQ for this action under Section 401 of the Clean Water Act. Before I can complete the water quality certification, I have a comment for you to consider.

1. Appendix G of the DEA indicates that among other areas, seven upland contained placement areas (PA) would be used to store dredged material from this dredging project. All of the upland PAs are existing PAs and located along the Main Channel. The DEA also indicates that the upland PAs are confined with water discharged via controlled spillways to existing outfall canals and drainage ditches. The TCEQ recommends that effluent from an upland contained disposal areas not exceed a Total Suspended Solids (TSS) concentration of 300 milligrams per liter (mg/l). In other dredging projects such as HGNC-09-01 and HGNC-13-01, the Corps added the following statement to the Final EA: "The upland confined placement area will be designed and operated with the goal of achieving an effluent TSS concentration of not more than 300 mg/L". Please verify that this recommendation will be part of the project in the Final EA for the Brazos Island Harbor Channel Improvement Project.

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I look forward to your response. Please let me know if you have any questions.

Thank you,

John Trevino

Water Quality Division

Texas Commission on Environmental Quality

(512) 239-4600

John Trevino Texas Commission on Environmental Quality Water Quality Division John.Trevino@tceq.texas.gov

RESPONSE TO COMMENTS

Comment No.	Response
1	USACE added the following statement to the FIFR-EA, Appendix G, section II.c(1): "The upland confined placement area will be designed and operated with the goal of achieving an effluent TSS concentration of not more than 300 mg/L".



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202-2733

January 7, 2014

Col. Richard P. Pannell U.S. Army Corps of Engineers Attn: CESWG-PE-PR P.O. Box 1229 Galveston, Texas 77553-1229

In accordance with our responsibilities under Section 309 of the Clean Air Act (CAA) and the National Environmental Policy Act (NEPA), the U.S. Environmental Protection Agency (EPA) Region 6 has reviewed the Draft Integrated Feasibility Report and Environmental Assessment (DIFR-EA) titled Brazos Island Harbor Channel Improvement Project. The tentatively selected plan will deepen the existing authorized 42-foot mean lower low water channel to 52-feet, and extend the offshore portion of the channel 4,000 feet farther into the Gulf of Mexico.

 EPA has concerns regarding information presented in Appendix F, Ocean Dredged Material Disposal Site (ODMDS) Analysis. The ODMDS analysis is based on information presented to EPA from the Brazos Island Harbor (BIH) Contaminant Assessment Report (Report). The BIH Report contained errors necessitating major revisions, and therefore, should not be used as the basis for the ODMDS analysis. The Corps of Engineers (COE) advised EPA they are working on final revisions to the BIH Report , but they could not provide an expected completion date. EPA cannot fully assess the adequacy of the ODMDS analysis until we review a final copy of the BIH Report. The text of Appendix F should note the information provided is from a "draft" report. EPA will make an independent assessment as to the suitability of the "new work" dredged material for ocean disposal once we receive the final report. In addition, Appendix F should be updated when the Revised Final BIH Report becomes available.

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• EPA has concerns over the modeling for the new work and maintenance material. The grain size used in the modeling for the new work and maintenance material is not in agreement with the grain size information presented in Table 5. EPA recommends the maximum percentages for the maintenance material be used in the modeling. It is uncertain how much change in mound height would occur using the correct percentages provided in Table 5.

We appreciate the opportunity to provide comments for the Draft EA. Please send the Final EA to my attention. Should you have any questions or concerns regarding this letter, do not hesitate to call me at 214-665-8006, or contact Keith Hayden of my staff, at 214-665-2133 or <u>hayden.keith@epa.gov</u> for assistance.

2 Sincerely, Muu

Rhonda Smith Chief, Office of Planning and Coordination



DEPARTMENT OF THE ARMY GALVESTON DISTRICT, CORPS OF ENGINEERS P. O. BOX 1229 GALVESTON, TEXAS 77553-1229

March 4, 2014

Regional Planning and Environmental Center

Ms. Rhonda Smith Chief, Office of Planning and Coordination United States Environmental Protection Agency, Region 6 1445 Ross Avenue, Suite 1200 Dallas, Texas 75202-2733

Dear Ms. Smith,

Reference your letter dated January 7, 2014 providing comments on the Draft Integrated Feasibility Report and Environmental Assessment (DIFR-EA) for the Brazos Island Harbor (BIH) Channel Improvement Project. We have reviewed your concerns regarding the adequacy of the draft BIH Contaminant Report and the grain sizes used to model the mounding of new work and maintenance material in the Ocean Dredged Material Disposal Sites. Additional information is provided in response to these concerns.

The revised BIH Contaminant Assessment Report is in final preparation and will be provided to your agency as soon as it is available. All outstanding issues raised by your agency have been addressed, the most notable of which was statistical comparisons between data sets. The test results are now treated and reported as two data sets: (1) maintenance material/maintenance ODMDS/ maintenance reference area; and (2) new work material/new work ODMDS/new work reference area. The BIH sediments show minimal levels of contamination greater than reference sediments, so although the statistical treatments were redone, the conclusion of the report remains unchanged; results of the analysis arrived at the same conclusion, that the sediments were acceptable for ocean placement at the BIH ODMDSs. Appendix F of the BIH DIFR-EA will be revised to note that the information is from a draft report. The revised information will be included in the Site Management and Monitoring Plan which will be developed in consultation with your office during the pre-construction, engineering and design phase of this project.

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To evaluate your concerns about grain size and potential mounding heights, a grain size summary for both maintenance and new work material has been compiled (Enclosure - Table 1). The composite grain size distribution for sediments from the maintenance material for approximately 25 years is also included for comparative purposes.

STFate modeling in the DIFR-EA used the composite grain size for maintenance material as the grain size input parameter. When these composite grain size data are compared to the new work material grain size data, the composite grain size data used in the STFate calculations shows equivalent percentages of gravel and sand, with a higher percentage of silt and a lower percentage of clay. Based upon these findings, the mound height calculated by STFate in the report for the new work material can be taken to be representative. For maintenance material, the median (a measure of central tendency) of the grain size analyses shows that the maintenance material is again virtually identical to the new work material, which would again make the mound height calculated by STFate representative.

Maintenance material does show an outlier in grain size at location B-EC-12-02, which has a percentage of gravel (55.1%) that is atypical of any other maintenance material sample (or any other sample in the entire study area), including the duplicate sample taken at B-EC-12-02Dup. B-EC-12-02 is located in the Entrance Channel where jetty construction has occurred. Using its proximity to current jetties and other possible construction activities, and the dissimilarity to all other samples in the study including its field duplicate -02Dup, we believe -02 is an outlier and not representative of the maintenance material grain size. As such, the outlier grain size data from B-EC-12-02 should not be used to determine the mound height for the project as it is not representative of the majority of the dredge material volume.

We trust this additional information will address your concerns and look forward to working with you on the development of a new Site Management and Monitoring Plan for this project in the near future. The BIH Final Integrated Feasibility Report and Environmental Assessment, which includes your comments and this response, will be sent to your attention. If you have any additional questions or concerns, please contact Janelle Stokes at 409/766-3039 or at janelle.s.stokes@usace.army.mil for assistance.

Sincerely,

2

Carolyn Murphy Unit A Chief, NEPA & Cultural Resources Section

Enclosure

Dredge Material, Reference and ODMDS for Maintanence and New Work Materials Table 1: Summary of Physical Characterization of Sediment **Brazos Island Harbor, Texas**

				Phys	Physical Parameters	ters	
Dredge Category	Dredge Location	Composite		Grain Size	Size		
)			% Gravel	% Sand	% Silt	% Clay	% Solid
Maintenance	Existing Entrance Channel	B-EC-12-01	7.2	59.8	4.5	28.5	44.5
		B-EC-12-02	55.1	41.5	0.8	2.6	72.8
		B-EC-12-02 Dup	0.4	59.4	16.9	23.3	65.2
		B-EC-12-03	0.0	65.7	9.2	25.1	58.0
	Entrance Channel Extension	B-EC-12-04	0.5	81.7	6.4	11.4	63.1
		min	0.0	41.5	0.8	2.6	44.5
		median	0.5	59.8	6.4	23.3	63.1
		max	55.1	81.7	16.9	28.5	72.8
	ODMDS/PA	B-EC-12-PA1	0.0	90.8	2.1	7.1	72.9
	Reference Area	B-EC-12-REF	0.0	20.4	15.1	64.5	57.3
New Work	Channel Deepening	B-EC-12-NW	0.5	65.4	7.5	26.6	62.5
	ODMDS/PA	B-EC-12-PANW	0.5	88.0	2.4	9.1	67.9
	Reference Area	B-EC-12-REFNW	0.0	11.2	4.7	84.1	54.1
				C 07	212	10.1	60 0
STFATE (1)			0.0	00.4	C.12	1.0T	0.00

Footnotes:

1) STFATE- Assumptions from SAP, 1966 through 2011 historical data