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UDPATED: 2020 IMPROVEMENTS DESIGNED TO INCREASE CHANNEL MAINTENANCE

Members,

The Big River Coalition developed a strategy designed to help promote channel maintenance along the Mississippi River Ship Channel (MRSC) during the Great Flood of 2019 titled *Full Funding Floats All Boats* (attached). The main focus of this campaign was to provide the U.S. Army Corps of Engineers (USACE) adequate funding to maintain this critical artery of trade as increased and robust precipitation levels generate more frequent high river stages leading to record levels of shoaling.

The annual funding provided to the USACE's Mississippi Valley New Orleans (MVN – Corps New Orleans District) for Operations and Maintenance (O&M) of the MRSC is insufficient and the President's Budget Request for Fiscal Year (FY) 2020 of \$91,970,000 was inadequate to maintain authorized dimensions on the Ship Channel. The Big River Coalition requested the President's Budget Request be increased to a level of \$200,000,000 annually in an effort to promote trade, create jobs and enhance economic prosperity.

As the Coalition promoted this request the USACE received supplemental funding that eventually raised the total for FY 2019 to a new record level of funding at \$244,129,000. The USACE also received supplemental funding earlier this year for FY 2020 to increase channel maintenance and the deepening of the MRSC to 50 feet:

The funding to deepen the First Phase of the Mississippi River Ship Channel of \$85,350,000 has been secured. "Initiate construction of channel deepening. Dredge first river segment to a depth of 50 Linear Feet."

The President's Budget Request of \$91,970,000 was increased by an additional \$154,088,500 to raise the total for Operations and Maintenance funding to \$246,058,500 for FY 2020. "Funds will be used for commonly performed O&M work. Funds will also be used for specific work activities including dredging (\$87,970,000). Funds will be used for 2018 flood event maintenance for navigation at Southwest Pass Foreshore Protection and Jetty Repairs and dredging to include additional dredging in support of the Gulf Regional Demonstration Program."

The following itemized list documents project updates made possible by the increased level of funding, all designed to increase and improve the channel maintenance of the Ship Channel:

1) MISSISSIPPI RIVER SHIP CHANNEL DEEPENING TO 50 FEET:

The historic project to deepen the Ship Channel to 50 feet began on the evening of September 11, 2020 when the cutterhead dredge CAPTAIN FRANK (Weeks Marine) began dredging at Mile 5.0 Above Head of Passes on Southwest Pass Cutterhead Dredge Rental Contract #1-2020.

1) MISSISSIPPI RIVER SHIP CHANNEL DEEPENING TO 50 FEET: (continued)

The cutterhead dredge ROBERT M. WHITE (Manson Construction) began dredging on the deepening under Southwest Pass Cutterhead Dredge Rental Contract #2-2020 on October 23, 2020 at Mile 9.0 Below Head of Passes. The first assignments for the two cutterhead dredge contracts were on the western side of the Ship Channel to avoid negatively impacting ship traffic in these reaches on the eastern side of the Ship Channel. Present and future assignments include deepening with cutterhead dredges on the eastern side of the Ship Channel.

Manson Construction was awarded Southwest Pass Hopper Dredge Rental Contract #9-2020 on September 26, 2020 that will be completed by their hopper dredge GLENN EDWARDS. The GLENN EDWARDS is expected to complete the Ship Channel deepening through dredging full channel dimensions on the bar and jetty channels and areas of the channel that must be deepened above Mile 5 AHP and across significant portions of the eastern side of the Ship Channel. The GLENN EDWARDS will start work on the channel deepening project from Venice to the Gulf of Mexico in mid-2021 and completion of this contract is expected by late 2021 or in early 2022. The GLENN EDWARDS is already under contract for work in Southwest Pass on normal channel maintenance as detailed immediately below.

The Big River Coalition revitalized the effort to deepen the Mississippi River Ship Channel to 50 Feet in August 2012 and documented the three steps that had to be completed. The final step was to fund and deepen the Ship Channel, completion of the final step requires the completion of three phases with the goal of deepening 256 miles of the Mighty Mississippi River.

The Mississippi River Ship Channel deepening project will promote the economic advantages of waterborne commerce to more shippers by extending the draw area for shipping down this economic superhighway. The deepened channel will offer increased cost savings to shippers and help maximize the competitive advantages with world markets, enhance the systems water carrying capacity and increase the flood protection of businesses, farms and homes. A deeper channel will create jobs and restore 1,500 acres of wetlands in the environmentally sensitive birds'-foot delta. The deepening of the Mississippi River Ship Channel is truly a historic project that will pay for itself in a few years and generate increased revenues for decades.

The following information is reproduced from the Coalition's Press Release to announce the deepening had officially commenced.

"This start of the deepening project is a landmark day for our national maritime industry, and stakeholders in Louisiana and along the Mississippi River who collaboratively advocated for this national priority. Our tireless advocacy and meaningful investment, along with Governor Edwards commitment to provide significant financial match made this long sought-after project a reality," said Louisiana DOTD Secretary Dr. Shawn D. Wilson. He added, "Our magnificent Mississippi River, that is the life blood of our state's economy, will enable us to further expand global markets for farmers, manufacturers, and citizens that depend on imports and exports of good for jobs and a quality of life."

Captain Michael Miller as both the President of the Associated Branch Pilots (Bar Pilots) and Chairman of the Big River Coalition explained, "the Bar Pilots are excited about the start of the deepening to 50 feet since it will help our port partners become more competitive on a national and international basis as well as contribute to coastal restoration though beneficial use of dredged material."

Colonel Stephen Murphy as the Commander of the U.S. Army Corps of Engineers New Orleans District offered the following comments. "This project represents incredible partnership and agreement between the federal government, Congress, industry, and the state of Louisiana on the incredible value of this effort. By deepening the Mississippi River Ship Channel even by just five feet (to 50-ft) the National economy will see benefits to the tune of approximately \$127M annually. With a benefit to cost ratio of 7.2 to 1, the project will pay for itself in two years. This is a really great deal for Louisiana and for America."

2) LARGE HOPPER DREDGE RENTAL CONTRACTS FY 2021:

The MVN was able to utilize the increased funding to promote an effort they developed to secure large hopper dredges to start work prior to severe shoaling in 2021, this approach is possible because of the increased funding (previously referenced). The large hopper contract concept was proposed by the MVN and discussed when they hosted the National Dredge meeting in 2019. The effort is similar to goals identified by the Full Funding campaign based on knowledge that the larger hoppers are more effective during times of significant shoaling. This is the first time that the MVN was able to award contracts to address shoaling in advance of high river conditions and represents a unique opportunity to get ahead of shoaling and maintain federally authorized channel dimensions in 2021.

The three contracts listed below have been awarded, securing two large hoppers and one medium sized hopper to work on channel maintenance in early 2021:

- A) Southwest Pass Hopper Dredge Rental Contract #3-2020 was awarded to Manson Construction for their large hopper dredge GLENN EDWARDS. The GLENN EDWARDS is under contract to arrive in Southwest Pass in January 2021.
- B) Southwest Pass Hopper Dredge Rental Contract #6-2020 was awarded to the Dutra Group for their large hopper dredge STUYVESANT. The STUYVESANT is under contract to arrive in Southwest Pass in February 2021.
- C) Southwest Pass Hopper Dredge Rental Contract #7-2020 was awarded to Manson Construction for their medium sized hopper dredge NEWPORT. The NEWPORT is expected to arrive in Southwest Pass in February 2021.

3) REGIONAL DREDGE CONTRACT:

The Gulf Coast Regional Hopper Dredge Contract 2020 led to the hopper dredge NEWPORT dredging in Southwest Pass during high water. The NEWPORT was originally scheduled to start dredging on the Gulfport Ship Channel but because it was under a regional contract shared between the MVN and the USACE's Mobile District it was able to start work on deficient areas of Southwest Pass first. The hopper dredge NEWPORT worked in Southwest Pass under this contract from February 1 to July 2 (2020). The Gulf Coast Regional Hopper Dredge Contract 2020 represents an adaptation for regional contracts designed with the intent to share a hopper dredge between USACE Districts.

FY 2021 SENATE APPROPRIATIONS LANGUAGE:

"In fiscal year 2020, the Committee worked with the Corps to develop a demonstration program to explore innovative ways of executing dredging in a logical, sequenced, and efficient manner. The goals of the program include being more responsive to dredging demands within the region, while minimizing disruption to critical construction and maintenance dredging requirements enterprise- wide.

The Committee is very pleased with the progress made by the Corps to date implementing the demonstration program. The Committee understands the Corps has performed its first comprehensive dredging analysis/execution plan formulation and has already identified millions of dollars in mobilization savings through this regional approach.

The Corps shall continue to provide quarterly briefings to Congress on the status of the demonstration program including regular updates on the effectiveness of the program, savings realized, and lessons learned. The Corps is encouraged to apply effective approaches and lessons learned under this program to other areas such as the Atlantic region that could also achieve cost and schedule savings."

4) NEW HOPPER DREDGES:

There is exciting news regarding new hopper dredges being constructed by the hopper dredge contractors and the USACE. The Coalition believes these capital investments were also generated by Congress significantly increasing the USACE budget over the last few years.

- A) Weeks Marine announced the construction of their new hopper dredge R.B. WEEKS that is a sister ship to the MAGDALEN that was christened in 2017. The R.B. WEEKS is designed with a hopper capacity of 8,550 cubic yards and is expected to be christened in early 2023.
- B) Great Lakes Dredge & Dock also announced the construction of a new hopper dredge that remains unnamed. This hopper dredge is designed to have a hopper capacity of 6,500 cubic yards and to be christened in 2023.
- C) Manson Construction announced the construction of their large hopper dredge FREDERICK PAUP with a hopper capacity of 15,000 cubic yards and designed to be similar to Manson's large hopper dredge GLENN EDWARDS.
- D) According to recent presentation by the Dredging Contractors of America there are also two other industry hopper dredges in various stages of development or potential development. The Dutra Group operators of the hopper dredge STUYVESANT are in the design phase of a medium sized hopper dredge with a reported capacity of 6,000 to 8,000 cubic yards. Cashman Dredging is reportedly in the "project development phase" for a 6,500 cubic yard hopper dredge
- E) USACE to replace the McFARLAND. On November 5, 2020 the USACE posted a presolicitation notice for the replacement (recapitalization) of their medium classed hopper dredge McFARLAND. The new dredge is expected to have a hopper capacity of approximately 6,000 cubic yards. The Coalition estimates that this hopper dredge could be christened as early as 2025. As reproduced from the official Notice:

"For those who do not follow government contracting practices, the pre-solicitation notice is the last final step before posting a formal "Request for Proposal" from designers/shipyards to build the new USACE dredge. This important step, along with the significant investment plans of our private dredge industry partners, reflects the shared commitment to recapitalizing our USACE and private industry fleet in order to deliver our navigation and coastal protection mission into the future. We will continue to ensure transparency in our effort to recapitalize the USACE dredging fleet and welcome opportunities to discuss these efforts with you and other navigation and dredging stakeholders."

5) NEW CUTTERHEAD DREDGES:

There have been three new cutterhead dredges constructed over the last few years including the most recent and largest in the fleet the GENERAL MacARTHUR (Callan Marine) with a 32" cutterhead – most of the cutterheads that work in Southwest Pass have a 30" cutterhead.

The GENERAL MacARTHUR, the J.S. CHATRY (Weeks Marine) a 30" cutterhead that was christened in 2019 and the ROBERT M. WHITE (Manson Construction) also a 30" cutterhead christened in 2017 are the latest three large cutterhead dredges built.

There are also two slightly smaller cutterhead dredges under construction. Callan Marine is building a new 28" cutterhead dredge, the GENERAL BRADLEY that is being built in Louisiana (Halimar Shipyard) and expected to be christened in late 2021. Mike Hooks, LLC is in process of building a 27" cutterhead dredge in Alabama (Mobile Pulley Works) the LORRAINE HOOKS.

6) BENEFICIAL USE OF DREDGED MATERIAL:

Since cutterhead dredges were restored to the channel maintenance toolbox in the area of Southwest Pass in 2009, approximately 10,665 acres of wetlands have been restored. Attached to this document you will find a table titled "LARGEST WETLANDS RESTORATION PROJECT IN THE WORLD" that outlines the success of the beneficial use of dredged material.

The MVN beneficially utilized 24.2 million cubic yards (mcy) of dredged sediment creating 1,724 acres of wetlands below Venice (Louisiana) in the environmentally sensitive bird's-foot delta in FY 2019 (alone). The confirmed acreage added during beneficial use dredging in FY 2020 or in early FY 2021 are not yet available but will increase the acreage as dredged material has been removed for the Ship Channel deepening project in the area of Southwest Pass and from the Hopper Dredge Disposal Area.

The "Sediment Recycling" efforts beneficially used over 131 mcy of material to create or restore 10,665 acres of wetlands the equivalent of 16.66 square miles of marsh in the environmentally sensitive bird's-foot delta from FY 2009 to FY 2020. The total of 132 mcy represents an equivalent of 13.25 million dump trucks of sediment being transported to our coast. Please refer to the attached table for a breakdown highlighting the cubic yardage and acreage added on a fiscal year basis.

A quick highlight of the benefits of beneficial use were captured earlier this year when the USACE and the Louisiana Department of Wildlife and Fisheries confirmed the largest shore bird nesting colony in the state. The colony of nesting shore birds was estimated to have over 50,000 birds in it, mostly identified as varied species of Terns. The birds were located on Gunn Island, an island created with the beneficial use of dredged material from the dredging of Baptiste Collette.

The MVN is positioned to continue to increase the acreage created through the beneficial use of dredged material in the area of the Mississippi River Delta. A quick rundown of dredge contracts along the Ship Channel including the deltaic passes shows a tremendous amount of work to be completed over the next two years, with totals of work approaching 65 mcy of material to be removed. This rundown includes the Phase 1 of the Ship Channel deepening with a total of 18.5 mcy to be removed and approximately 12.5 mcy of that to be direct beneficial use by the two cutterhead dredges. The normal channel maintenance in Southwest Pass in FY 2021, estimated to be a total of 18.5 mcy and a rough approximation that 10 mcy would be beneficially used either directly through cutterhead dredges contract or placed by a hopper dredge in the Hopper Dredge Disposal Area (HDDA) and then later removed by a cutterhead dredge. A current contract for the HDDA will beneficially use 14 mcy, the dredging of South Pass for the first time since 2007 adds another 10.5 mcy and Tiger Pass being dredged for the first time since 2012 with a total of 1.9 mcy of material to be removed. These estimates if accurate would mean that nearly 40 mcy of sediment removed in the birds-foot delta would be beneficially used to create an additional 3,200 acres of new Louisiana.

The continued use of cutterhead dredges for routine channel maintenance in the area of Southwest Pass adds another dredge type to assist hopper dredges in the channel maintenance toolbox and will continue to increase the acreage restored along the Mississippi River Delta for years to come.

7) SOUTH ATLANTIC REGIONAL BIOLOGICAL OPINION:

The following item is also at least partly responsible for the ability of the MVN to issue these hopper dredge rental contracts early in the calendar year. As the environmental windows that have often been referred to in the industry as "turtle windows" have been removed. Please see the details on the South Atlantic Regional Biological Opinion (SARBO) below.

The PowerPoint detailing this opinion is clickable for those interested in more details: <u>South Atlantic Regional Biological Opinion (SARBO) Update</u> as presented on May 6, 2020 by the Coastal Program Manager of the USACE South Atlantic Division.

7) SOUTH ATLANTIC REGIONAL BIOLOGICAL OPINION: (continued)

The SARBO effort has been under review since 1997 and the final update will have a positive impact on channel maintenance on the MRSC.

The main point from the SARBO that will benefit the MRSC is that the turtle windows have now been removed. The turtle windows represented a significant period of time, where hopper dredges were restricted from performing channel maintenance on channels within the USACE South Atlantic Division. The BRC confirmed on a call with the USACE Coastal Program Manager for USACE South Atlantic Division that the turtle windows forced channel maintenance to occur between December 1 to April 15. The SARBO's enforcement of the turtle windows limited response to channel maintenance on the South Atlantic for approximately half a year. The turtle windows have long been blamed for creating a scheduling bottleneck that hampered hopper dredge availability for the emergency nature of dredging in Southwest Pass during periods of high river stages.

The turtle windows had become more problematic over the last decade as high river stages started occurring earlier in the calendar year (during the turtle windows) and recurring more frequently.

The USACE is now going to start work on the Gulf of Mexico Regional Biological Opinion but based on the length of the SARBO it could take a decade or longer to be finalized, no idea when that work will officially start.

Sincerely, Sean M. Duffy, Sr.

Sean M. Duffy, Sr. Executive Director

Attachments