



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF ENGINEERS  
WASHINGTON, D.C. 20310-2600

REPLY TO  
ATTENTION OF

CECW-PM (1105-2-10a)

22 JUL 2003

SUBJECT: Jacksonville Harbor, Duval County, Florida

THE SECRETARY OF THE ARMY

1. I submit for transmission to Congress my report on the navigation study for Jacksonville Harbor in Duval County, Florida. It is accompanied by the report of the district and division engineers. These reports address reevaluation of the Jacksonville Harbor project that was authorized by Section 101(a)(17) of the Water Resources Development Act (WRDA) of 1999. The joint explanatory statement of the Committee on Conference accompanying the Conference Report requested the Secretary of the Army to evaluate the authorized project and determine if changes in the commercial navigation fleet could result in redesignation of the locally preferred (LP) plan as the national economic development (NED) plan. Preconstruction engineering and design activities for Jacksonville Harbor, Duval County, Florida, will be continued under the authority cited above.

2. The reporting officers recommend deepening of the existing Federal navigation channel from approximate river miles 14.7 to 20, a 5.3-mile-long segment of the St. Johns River, from the existing authorized depth of 38 feet below mean low water (MLW) to a depth of 40 feet below MLW, and adding a widener at the Chaseville Turn. The bottom width of the deepened main channel would remain at its existing width, which varies from 400 feet to approximately 1,200 feet. A turn widener would be added on the east side of the Chaseville Turn between mile 17 and mile 18 with a width that varies from 100 to 200 feet. The turn widener would be constructed to 40 feet below MLW. The dikes on the confined disposal facilities, located on the west end of Bartram Island, have already been raised to an elevation of 28.5 feet to accommodate the excavated material from the main channel and widener, providing for a capacity of approximately 1,658,000 cubic yards. The recommended plan also includes 2 feet of required over depth plus 2 feet of allowable over depth for the main channel between river miles 14.7 to 20 and the Chaseville Turn widener. The U.S. Fish and Wildlife Service listed Reasonable and Prudent Measures to protect listed species. The U.S. Army Corps of Engineers will include those measures in the contract specifications. There is no identified requirement for compensatory mitigation for the proposed project.

3. Based on October 2002 prices, the total first cost of the project is estimated at \$14,658,000, with the Federal cost of approximately \$9,636,000, and a non-Federal cost of approximately

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\$5,022,000. This first cost includes about \$14,348,000 for cost shared general navigation features (GNF); \$18,000 for lands, easements, rights-of-way, and relocations (LERR); and \$292,000 for other Federal expenses (U.S. Navy Fuel Depot berthing area). The non-Federal portion includes a repayment of 10 percent of the cost to construct the GNF over a period not to exceed 30 years, less allowable credits for the values of LERR. Total project implementation costs of approximately \$16,393,000 include total project cost of \$14,658,000 plus \$1,735,000 in non-Federal costs associated with dredging of berthing areas and development of other local service facilities. The incremental annual cost for operation and maintenance of the recommended plan is estimated at \$106,000.

4. Average annual benefits and costs, based on October 2002 price levels, a discount rate of 5.875 percent and a 50-year period of economic analysis, are estimated as \$1,997,000 and \$1,177,000, respectively, with a resulting net benefits of \$820,000. The overall benefit-to-cost ratio is 1.7 to 1. A reevaluation of the WRDA 1999 LP plan, extending from the main entrance channel in the Atlantic Ocean to mile 14.7, did not result in a redesignation of the LP plan as the NED plan. For this reach of the authorized project, the NED plan remains deepening the navigation channel to 39 feet below MLW with an additional foot of deepening funded 100 percent by the sponsor, which provides an LP plan depth of 40 feet below MLW for the main channel.

5. Washington level review indicates that the plan recommended by the reporting officers is technically sound, economically justified, and environmentally and socially acceptable. The proposed project complies with applicable Corps planning procedures and regulations. Also, the views of interested parties, including Federal, State and local agencies, have been considered.

6. I concur in the findings, conclusions, and recommendation of the reporting officers. Accordingly, I recommend that implementation of the proposed project be authorized in accordance with the reporting officers' recommended plan, with such modifications as in the discretion of the Chief of Engineers may be advisable. My recommendation is subject to cost sharing, financing, and other applicable requirements of WRDA 1986, as amended by Section 201 of WRDA 1996. This recommendation is subject to the non-Federal sponsor agreeing to comply with all applicable Federal laws and policies, including the following requirements:

a. Enter into an agreement, which provides, prior to execution of the project cooperation agreement, 25 percent of design costs;

b. Provide, during construction, any additional funds needed to cover the non-Federal share of design costs;

c. Provide, during the period of construction, a cash contribution equal to the following percentages of the total cost of construction of the general navigation features (which includes

the construction or improvement of land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for project construction, operation or maintenance (for which a contract for the Federal facility's construction or improvement was not awarded on or before October 12, 1996), or a dredged material disposal facility designed, constructed, managed or operated by a public or private entity, if, consistent with economic and environmental considerations, said facility is the least-cost alternative):

- (1) 10 percent of the costs attributable to dredging to a depth not in excess of 20 feet;
- plus;
- (2) 25 percent of the costs attributable to dredging to a depth in excess of 20 feet, but not in excess of 45 feet;

d. Pay with interest, over a period not to exceed 30 years following completion of the period of construction of the project, up to an additional 10 percent of the total cost of construction of general navigation features depending upon the amount of credit given for the value of lands, easements, rights-of-way, and relocations provided by the non-Federal sponsor for the general navigation features. If the amount of credit exceeds 10 percent of the total cost of construction of the general navigation features, the non-Federal sponsor shall not be required to make any contribution under this paragraph, nor shall it be entitled to any refund for the value of lands, easements, rights-of-way, and relocations in excess of 10 percent of the total cost of construction of the general navigation features;

e. Provide all lands, easements, and rights-of-way, and perform or ensure the performance of all relocations determined by the Federal Government to be necessary for the construction, operation, maintenance, repair, replacement, and rehabilitation of the general navigation features (including all lands, easements, and rights-of-way, and relocations necessary for dredged material disposal facilities);

f. Provide, operate, maintain, repair, replace, and rehabilitate, at its own expense, the local service facilities in a manner compatible with the project authorized purposes and in accordance with applicable Federal and State laws and regulations and any specific directions prescribed by the Federal Government;

g. Accomplish all removals determined necessary by the Federal Government other than those removals specifically assigned to the Federal Government;

h. Grant the Federal Government a right to enter, at reasonable times and in a reasonable manner, upon property that the non-Federal sponsor owns or controls for access to the general navigation features for the purpose of inspection, and, if necessary, for the purpose of operating, maintaining, repairing, replacing, and rehabilitating the general navigation features;

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i. Hold and save the United States free from all damages arising from the construction, operation, maintenance, repair, replacement, and rehabilitation of the project, any betterments, and the local service facilities, except for damages due to the fault or negligence of the United States or its contractors;

j. Keep, and maintain books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to the project, for a minimum of 3 years after completion of the accounting for which such books, records, documents, and other evidence is required, to the extent and in such detail as will properly reflect total cost of construction of the general navigation features, and in accordance with the standards for financial management systems set forth in the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments at 32 CFR, Section 33.20;

k. Perform, or cause to be performed, any investigations for hazardous substances as are determined necessary to identify the existence and extent of any hazardous substances regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. 9601-9675, that may exist in, on, or under lands, easements, or rights-of-way that the Federal Government determines to be necessary for the construction, operation, maintenance, repair, replacement, or rehabilitation of the general navigation features. However, for lands that the Government determines to be subject to the navigation servitude, only the Government shall perform such investigation unless the Federal Government provides the non-Federal sponsor with prior specific written direction, in which case the non-Federal sponsor shall perform such investigations in accordance with such written direction;

l. Assume complete financial responsibility, as between the Federal Government and the non-Federal sponsor, for all necessary cleanup and response costs of any CERCLA-regulated materials located in, on, or under lands, easements, or rights-of-way that the Federal Government determines to be necessary for the construction, operation, maintenance, repair, replacement, and rehabilitation of the general navigation features;

m. To the maximum extent practicable, perform its obligations in a manner that will not cause liability to arise under CERCLA;

n. Comply with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987, and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way required for construction, operation, maintenance, repair, replacement, and rehabilitation of the general navigation features, and inform all affected persons of applicable benefits, policies, and procedures in connection with said act;

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o. Comply with all applicable Federal and State laws and regulations, including, but not limited to, Section 601 of the Civil Rights Act of 1964, Public Law 88-352 (42 U.S.C. 2000d), and Department of Defense Directive 5500.11 issued pursuant thereto, as well as Army Regulation 600-7, entitled "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army and all applicable Federal labor standards and requirements, including but not limited to 40 U.S.C. 3141-3148 and 40 U.S.C. 3708 (revising, codifying and enacting without substantial change the provisions of the Davis-Bacon Act (formerly 40 U.S.C. 276a *et seq.*), the Contract Work Hours and Safety Standards Act (formerly 40 U.S.C. 327 *et seq.*) and the Copeland Anti-Kickback Act (formerly 40 U.S.C. 276c));

p. Provide a cash contribution equal to the non-Federal cost sharing percentage of the project total historic preservation mitigation and data recovery costs that are in excess of the total amount authorized to be appropriated for the project; and

q. Do not use Federal funds to meet the non-Federal sponsor's share of total project costs unless the Federal granting agency verifies in writing that the expenditure of such funds is authorized.

7. The recommendation contained herein reflects the information available at this time and current departmental policies governing formulation of individual projects. It does not reflect program and budgeting priorities inherent in the formulation of a national civil works construction program or the perspective of higher review levels within the executive branch. Consequently, the recommendation may be modified before it is transmitted to Congress as a proposal for authorization and implementation finding. However, prior to transmittal to the Congress, the State of Florida; the sponsor, the Jacksonville Port Authority; interested Federal agencies; and other parties will be advised of significant modifications and will be afforded an opportunity to comment further.



ROBERT B. FLOWERS

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Chief of Engineers