



DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ENGINEERS
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

29 DEC 2000

CECW-PM (10-1-7a)

SUBJECT: False Pass, Alaska

THE SECRETARY OF THE ARMY

1. I submit for transmission to Congress my report on navigation improvements for False Pass, Alaska. It is accompanied by the report of the district and division engineers. These reports are in partial response to a resolution adopted by the Committee on Public Works of the House of Representatives on 2 December 1970. The study resolution requested review of the reports of the Chief of Engineers on Rivers and Harbors in Alaska, published as House Document 414, 83rd Congress, and other pertinent reports, with a view to determine whether any modifications of the recommendations contained therein are advisable at the present time.
2. Section 101(b)(1) of the Water Resources Development Act of 2000 (WRDA 2000) authorized construction of the False Pass Harbor, Alaska, project for navigation improvements subject to the completion of a favorable report of the Chief of Engineers not later than 31 December 2000 and subject to the conditions recommended in that final report. The authorizing language for the False Pass Harbor project reflects a project cost estimate of \$15,552,000, which included the estimated cost for the betterments of the project. The cost for these betterments would be at 100 percent local cost. This report constitutes the final report of the Chief of Engineers required by WRDA 2000.
3. The reporting officers recommend constructing a new harbor at False Pass, Alaska. The recommended plan includes the construction of two breakwaters, 388 meters (1,300 feet) and 180 meters (600 feet) in length. To avoid adverse impacts to the fish migration through the pass, a near-shore gap would be constructed in the breakwaters. This would allow fish to remain in the shallow water near shore and minimize the threat of deep-water predation. The breakwaters would provide a protected mooring basin of 2.1 hectares (5.2 acres). The basin would accommodate 88 vessels of sizes appropriate for the present and anticipated fleet. The entrance channel would be dredged to a depth of -6.1 meters (-20 feet) mean lower low water (MLLW). Optimization of channel depth

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and underkeel clearance will be further evaluated during the preconstruction, engineering, and design phase of the project. The mooring basin would be dredged to two design depths to optimize the requirements of the fleet. The sponsor requested that betterments to this plan include the widening of the south breakwater to create a causeway, a sheetpile dock, and a bridge at the breakwater breach. Project mitigation for the loss of habitat would consist of nearshore breakwater breaches, construction techniques to minimize the dispersment of dredged material, placement of boulders and other materials adjacent to the breakwaters to promote recolonization of attachment organisms, and installation of waste oil receptacles and spill containment booms at the project site.

4. Based on October 1999 price levels, the total estimated cost of the general navigation features (GNF) and associated lands, easements, rights-of-way, and relocations (LERR) for the project recommended is \$10,596,000. The GNF costs include channel excavation and breakwater construction. In accordance with Section 101 of Public Law 99-662, as amended by Section 201 of Public Law 104-303, the ultimate Federal and non-Federal shares of GNF are estimated to be \$8,516,000 and \$2,080,000, respectively. In addition, the Federal Government would incur the costs of navigation aids currently estimated to be \$12,000. The non-Federal portion includes 10 percent of the cost for the GNF which is based on an overall project depth less than -20 feet MLLW and an additional cash payment of 10 percent of costs allocated to GNF, including interest, less credit for LERR over a period not to exceed 30 years. Creditable non-Federal lands, easements, rights-of-way, and relocations are estimated to be \$195,000. In addition to this amount, the local sponsor, the Aleutians East Borough, will be investing \$2,239,000 in local service facilities, which include a float system, dredging of the moorage basin, and real estate for the non-Federal moorage basin. The local sponsor will also construct an access road and wharf on top of the south breakwater at a cost of \$2,705,000. The cost for these local service facilities and betterments would be at 100 percent local cost. Total costs for all features required to obtain the projected navigation benefits, including GNF, lands, easements, rights-of-way, and relocations, local service facilities, and aids-to-navigation are estimated to be \$12,847,000.

5. Total average annual charges, based on a discount rate of 6 5/8 percent and a 50-year period of economic analysis, are \$1,000,000. Average annual benefits are estimated at \$1,165,000, for a benefit-to-cost ratio of 1.2 to 1. The annual cost for operation and maintenance of the national economic development (NED) plan is estimated to be \$54,000, including \$17,000 for U.S. Army Corps of Engineers maintenance of the breakwaters, conducting periodic hydrographic survey, and one maintenance dredging of the entrance channel and maneuvering basin. The cost for the non-Federal sponsor to

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operate and maintain the piles and floats, maintain depths within the harbor, and provide for a part-time harbormaster is \$37,000. The U.S. Coast Guard would maintain the navigation aids at an annual cost of \$1,000. The proposed plan is the NED plan with the addition of betterments provided at 100 percent sponsor cost.

6. Washington level review indicates that the recommended plan is technically sound, economically justified, and environmentally and socially acceptable. The plan conforms with essential elements of the U.S. Water Resources Council's Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies and complies with other administration and legislative policies and guidelines. Also, the views of interested parties, including Federal, State and local agencies have been considered.

7. I concur in the findings, conclusions, and recommendation of the reporting officers. Accordingly, I recommend implementation of the authorized project in accordance with the reporting officers' recommended plan and with such modifications as in the discretion of the Chief of Engineers may be necessary and advisable. My recommendation is subject to cost sharing, financing, and other applicable requirements of Federal and State laws and policies, including Public Law 99-662 (WRDA 1986), as amended by Sections 202 and 210 of Public Law 104-303 (WRDA 1996), and in accordance with the following requirements which the non-Federal sponsor must agree to prior to project implementation:

a. Enter into an agreement which provides, through the execution of the project cooperation agreement, 25 percent of the 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 10 percent of the costs of construction of the general navigation features, which include the construction of land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for Federal project construction, operation, or maintenance and for which a contract for the Federal facility's construction or improvement was not awarded on or before 12 October 1996;

d. Repay 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. The value of lands, easements, rights-of-way, and relocations provided by the non-Federal sponsor for the general navigation features, described below, may be credited toward this required

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payment. 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, 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. Prepare and implement a harbor management plan to be coordinated with local interest. The harbor management plan shall incorporate best management practices to control water pollution at the project site;

h. For so long as the project remains authorized, operate and maintain the local service facilities, and the dock at the end of the south breakwater causeway, and provide lands, easements, and rights-of-way for any dredged or excavated material disposal areas, in a manner compatible with the project's authorized purposes and in accordance with applicable Federal and State laws and regulations and any specific directions prescribed by the Federal Government;

i. Give 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 and maintaining the general navigation features;

j. Hold and save the Government free from all damages arising from the construction, operation, maintenance, repair, replacement, and rehabilitation of the project and any project-related betterments, except for damages due to the fault or negligence of the Government or the Government's contractors;

k. 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

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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 33.20;

l. 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 USC 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, and maintenance of the general navigation features. However, for lands that the Federal Government determines to be subject to the navigation servitude, only the Government shall perform such investigations 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;

m. 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, or maintenance of the general navigation features;

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

o. Comply with the applicable provision 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 (Public Law 100-17), and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way required for construction, operation, maintenance, of the general navigation features in connection with said act;

p. 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 USC 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;"

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q. Provide the non-Federal share of that portion of the costs of mitigation and data recovery activities associated with historic preservation, that are in excess of 1 percent of the total amount authorized to be appropriated for the project, in accordance with the cost sharing provisions of the agreement;

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

s. 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.



ROBERT B. FLOWERS
Lieutenant General, U.S. Army
Chief of Engineers