

Review & Oversight Commission On the South Carolina State Ports Authority

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POST OFFICE BOX 142
COLUMBIA, SOUTH CAROLINA 29202-0142
(803) 212-6400

DAVID J. OWENS
SENATE STAFF

KENNETH M. MOFFITT
COUNSEL

PATRICK DENNIS
HOUSE JUDICIARY COUNSEL

ANDY FIFFICK
HOUSE LCI COUNSEL

LILY COGDILL
EXECUTIVE ASSISTANT

IA OVERNIGHT DELIVERY AND ELECTRONIC MAIL

January 24, 2011

Mr. William G. Bailey
ATTN: PD
Savannah District, U.S. Army Corps of Engineers
100 West Oglethorpe Ave
Savannah, GA 31401

RE: Comments on GRR and Draft Tier II EIS for the Savannah Harbor Expansion Project

Dear Mr. Bailey:

The Review and Oversight Commission on the South Carolina State Ports Authority is a joint legislative commission tasked with ensuring the promotion, development and operation of the state's current and future harbors and seaports in accordance with all applicable laws and regulations. In keeping its charge, the Commission has reviewed the SHEP DEIS. Our members have grave concerns with what we find to be an unbalanced and unsound study.

The Commission has numerous questions about the study's assumptions, methodology and conclusions, and will seek answers before the final EIS is released. However, we are doubtful our concerns can be adequately addressed in the current project and believe the applicant should withdraw the application, significantly amend it, and resubmit. For purposes of this letter, we include three areas we believe will have the greatest effect on South Carolina's residents:

- 1) Environmental.** The Corps identifies impacts upon the habitats of Shortnose Sturgeon and Striped Bass and upon tidal freshwaters and brackish marsh. Recreational fishermen and boaters would be affected by increased vessel traffic and dredging. The harbor's dissolved oxygen would decrease, while proposed techniques to restore dissolved oxygen have not been thoroughly vetted. Relating to federal and state law, the Commission notes that of the twenty-three federal and state environmental laws that apply, the draft complies with just eight. **The environmental damage caused by the SHEP as planned means that no future project could be permitted on the Savannah River, including the deepening needed to accommodate two-way post-Panamax traffic at the Jasper Ocean Terminal.**
- 2) Economic.** The Corps fails to reconcile the **severe and dangerous limitations imposed by its imprudent recommendations for draft, channel width, vessel speed and single-lane layout.** On the contrary, the Corps wrongly implies that the channel could accommodate significant numbers of the largest post-Panamax ships. The Corps' defective channel models are neither wide enough nor deep enough to allow for unencumbered use by these vessels. **The Commission is astonished to find the Corps believes that the Georgia Ports Authority would enjoy the same growth in container traffic regardless of whether or not the SHEP is completed.** If this is accurate, why would taxpayers spend a dime to make *any* "improvements" to the Savannah? Finally, it is

bewildering to see that the DEIS's 'Need for and Objective of Action' – essentially why the project is necessary – contains just 11 sentences.

- 3) **Navigability.** The Commission finds that of study's plentiful inconsistencies, a daunting number concern navigability. Tonnage estimates suggest the use of post-Panamax ships with drafts of 50 feet, but the DEIS itself shows ships with drafts as low as 46 feet would run aground, even in normal weather conditions. The ill-advised single-lane plan is inefficient and its passing lanes fell short of expectations during simulations. **If built to study specifications, the channel would not accommodate the number of ships upon which many of the benefits of the project are based.** The Commission is alarmed to find a recommendation for an "acceptable level of risk of accidents" is not in keeping with published U.S. Army Corps of Engineers standards for channel width and depth. These standards are designed to provide a minimum margin of safety, but it seems they were conveniently disregarded for this project.

Additionally, the Commission is baffled by the Corps' blatant and unjustified dismissal of a Jasper Ocean Terminal. While discussed within the DEIS, the Corps fails to consider the JOT as a viable alternative. **The Corps' repudiation of the JOT is abundantly clear from the Corps' published plans for dredge disposal: proposed dredge disposal sites are the very same sites upon which a JOT would be built. To add insult to injury, these sites would be used for disposal until 2060.** We also question the likelihood of the Corps ever approving taking these 1,500 acres of upland disposal out of use for maintenance dredging capacity because the replacement capacity would need to be cost neutral for the federal government.

There are ongoing negotiations between South Carolina and Georgia to build a Jasper Ocean Terminal, and this week officials in both states reaffirmed their commitment to that project. Given the improbability that leaders in the State of Georgia sat quietly by as the contradictory expectations of the DEIS were made public, our Commission questions their commitment to the project. Further, the Corps plans to use the JOT site for dredge disposal, while the 2007 Water Resources Development Act reads, in pertinent part:

SEC. 4084. SAVANNAH RIVER, SOUTH CAROLINA AND GEORGIA. (a) In General- The Secretary shall determine the feasibility of carrying out projects-- (1) to improve the Savannah River for navigation and related purposes that may be necessary to support the location of container cargo and other port facilities to be located in Jasper County, South Carolina, in the vicinity of Mile 6 of the Savannah Harbor entrance channel; and (2) to remove from the proposed Jasper County port site the easements used by the Corps of Engineers for placement of dredged fill materials for the Savannah Harbor Federal navigation project.

The Commission maintains that improvements to the Savannah River must: 1) provide more acceptable levels of environmental impact and commensurate mitigation; 2) be based upon reconcilable economic methodology; and 3) demonstrate clearly that navigation would be cost-effective, efficient and safe. Further, the plan must make the JOT site available for its use pursuant to the intergovernmental agreement between South Carolina and Georgia; must, by a date certain, remove easements upon it (as the Corps is authorized to do in the 2007 WRDA); and must make the JOT accessible by post-Panamax traffic.

Sincerely,



Lawrence K. Grooms
Chairman