



DEPARTMENT OF THE ARMY
ST. PAUL DISTRICT, CORPS OF ENGINEERS
180 FIFTH STREET EAST, SUITE 700
ST. PAUL, MN 55101-1678

NOV 09 2017

SUBJECT: Record of Necessity for Southport Dredged Material Placement Site

Kathryn Sarnecki
Vice President - Redevelopment and Harbor Management
St. Paul Port Authority
380 St. Peter Street, Suite 850
St. Paul, MN 55120-1313

Dear Ms. Sarnecki,

As requested by the St. Paul Port Authority, the U.S Army Corps of Engineers, St. Paul District (Corps) has prepared this Record of Necessity to document the continued need of Southport as a dredged material placement site.

Summary of Need:

The Southport site is a necessary placement site for the Corps' current and future dredged material placement needs in upper Pool 2 of the Mississippi River navigation project. This site is essential to the Corps for the following reasons:

1. Its close proximity to the typical dredge cuts in the upper portion of Pool 2, makes this site extremely valuable to the Corps from an operations standpoint;
2. There is a lack of feasible, cost effective, and environmentally acceptable alternative sites;
3. The quantity of dredged material in Pool 2 is anticipated to significantly increase; and
4. The City of St. Paul is required under federal law to provide a dredged material placement site for the St. Paul Small Boat Harbor (SBH) Project.

Background:

Southport has historically been an essential dredged material placement site for the Corps' navigation projects in upper Pool 2 of the Mississippi River. The Corps worked with the St. Paul Port Authority to establish the original 18 acre Southport placement site in 1998, and has since placed approximately 550,000 cubic yards of material at the site. In 2008, the site was reduced from 18 to 7 acres. The existing 7 acre site encompasses the least amount of acreage required to adequately accommodate navigation maintenance needs. The site was most recently used in September 2017 for placement of roughly 37,000 cubic yards of material generated from both the navigation channel and the St. Paul Small Boat Harbor. All material historically placed by the Corps at the Southport site has been removed and used beneficially, providing benefits to

both government and private organizations such as the Minnesota Department of Transportation, Minnesota Mulch and Soil, and the general public.

The Corps' maintenance of the congressionally authorized Upper Mississippi River (UMR) and SBH Projects is dependent on the ability to manage dredged material in a manner consistent with the "federal standard." The "federal standard" is defined as "the dredged material disposal alternative or alternatives identified by the Corps which represent the least costly alternatives consistent with sound engineering practices and meeting the environmental standards established by the 404(b)(1) evaluation process..." 33 C.F.R. § 335.7. Corps use of the Southport site has been consistent with the "federal standard."

A. Upper Mississippi River (UMR) Project

The UMR Project was authorized in the Rivers and Harbors Act of 1930, Pub. L. No. 71-520, 46 Stat. 918. The purpose of this project is to maintain a safe and navigable channel on the Mississippi River to enable commodities to be transported via barge from St. Paul to the Port of New Orleans in the most efficient and economical manner possible. This benefit is locally realized when bulk materials are transported via waterway more cost effectively than by road or railway. To execute the project, the Corps is responsible for maintaining the channel to a 9-foot depth and using suitable placement sites for dredged material.

In 1974, the Corps initiated the Great River Environmental Action Team (GREAT) study to aid the Corps in its operation and maintenance responsibilities for the UMR Project. The GREAT study was an interagency effort involving the Corps, the U.S. Fish and Wildlife Service, the Environmental Protection Agency, and the States of Iowa, Minnesota, and Wisconsin, among other entities. The purpose of the GREAT study was to identify and assess the multipurpose use of the river and to develop recommendations for improved management of the river. The GREAT study proposed a list of recommended placement sites for each pool of the UMR Project. The interagency team identified Southport as a preferred placement site in the GREAT Study.

In 1997, the Corps developed a Channel Maintenance Management Plan (CMMP) as an outgrowth and a supplement to the GREAT study plan. The CMMP is intended to guide maintenance of the UMR Project for the foreseeable future. The CMMP also identified Southport as an acceptable dredged material placement site for upper Pool 2 of the UMR.

B. St. Paul Small Boat Harbor (SBH) Project

The Corps is authorized to maintain the SBH Project to a depth of 5 feet below low control pool elevation.¹ The City of St. Paul, as the non-federal sponsor for the SBH Project, is required to furnish suitable placement sites for material dredged from the harbor for the

¹ The SBH Project was authorized in the Rivers and Harbors Act of 1945, Pub. L. No. 79-14, 59 Stat. 10. The SBH project is located at the lower end of Harriet Island in St. Paul, Minnesota, at Upper Mississippi River mile 839.6 on the right descending bank.

maintenance of this project.² The City of St. Paul has used Southport for many years to fulfill its federal obligations. Harriet Island, the St. Paul Yacht Club, and Watergate Marina all benefit from the SBH Project.

C. St. Paul City Council Resolution

In 2008, the St. Paul Port Authority (SPPA) sought approval from the St. Paul City Council for a site plan and variance for the Southport site. The site plan and variance were approved by the Council in a Resolution dated September 19, 2008. See enclosure. As a condition of the approval, Part III.B. of the Resolution requires the SPPA to restore wetlands. In particular, Part III.B.3 states the following requirement for wetland restoration:

In furtherance of wetlands restoration, when the Army Corps' dredged disposal agreement with the Port Authority ends on December 31, 2017, the Port Authority agrees to submit to the Saint Paul City Council the issue as to whether it is necessary for Southport to continue as an Army Corps dredged disposal site. If the determination by the City is that Southport is no longer necessary for this use, then the Port Authority agrees to cease using Southport for the Army Corps' dredged disposal and furthermore, agrees to then convert the area for the Army Corps dredged disposal to wetlands as reasonably soon thereafter as possible.

Justification of Need:

Southport is a necessary placement site due to expected increases in sediment deposition in Pool 2, and because of limited acceptable real estate options for disposing dredged material. It is essential that Southport remain available for Corps' maintenance of the UMR and SBH Projects.

As stated in the Corps' 2015 Pool 2 Sediment Assessment, the Corps anticipates maintenance dredging will increase in Pool 2 for two reasons: 1) the Minnesota River will continue to deposit increasing amounts of sediment in Pool 2; and 2) because of the Upper St. Anthony Falls (USAF) Lock and Dam closure to navigation in 2015, more sediment will deposit in Pool 2 since the USAF pool will no longer need to be dredged.

The Corps has had no need or means to dredge the USAF Pool since the lock is now closed to navigation. In addition, the Corps may have to reduce dredging in Pool 1 due to lack of commercial traffic, budget constraints, and greater dredging needs elsewhere. The existing Pool 1 dredged material placement site, located under the I-35W Bridge, will continue be utilized to accommodate Pool 1's minimal dredging needs. Similar to sites in lower Pool 2, this site is not suitable for dredged material from upper Pool 2 due to its limited capacity and the significantly

² Section 2 of the Rivers and Harbors Act of 1945 authorized the SBH Project in accordance with the plan and subject to the conditions set forth therein submitted by the Chief of Engineers to Congress in House of Representatives Document number 547, Seventy-sixth Congress. According to the plan, in exchange for dredging the SBH project, the City of St. Paul is required among other things to "furnish, free of cost to the United States, as and when required, all lands, easements, and rights-of-way and spoil disposal areas for the initial work and for subsequent maintenance[.]"

greater haul distance. The effects of eliminating dredging in the USAF Pool and reducing dredging in Pool 1 are estimated to increase sediment deposition in Pool 2 by 39%. Since 1970, the Corps has dredged an average of 43,000 cubic yards of dredged material in the USAF Pool. In Pool 1, the average has been roughly 32,500 cubic yards of dredged material per year. Sediment not dredged from these pools will continue to move downriver into Pool 2 and a portion will likely settle at the St. Paul Barge Terminal dredge cut. Material dredged at this cut is placed at Southport.

Lastly, the Corps still needs the Southport site because other suitable real estate options for disposing dredged material are lacking in upper Pool 2. The process of looking for additional sites in upper Pool 2 is currently ongoing as the Corps prepares its Pool 2 Dredged Material Management Plan (DMMP). The Pool 2 DMMP has identified Southport as a required placement site to accommodate material generated in the upper reach of the pool. Southport's proximity to the dredge cuts in the upper portion of Pool 2 accommodates both mechanical and hydraulic dredging, which makes this site extremely valuable to the Corps from an operations standpoint. In short, Southport must remain available to the Corps as a dredged material placement site in upper Pool 2 to accommodate future dredging needs in a manner consistent with the "federal standard."

In sum, the Corps needs to acquire a long term real estate interest in the Southport site once the current agreement with the SPPA expires on December 31, 2017.

Consequences if Southport is not Available for Future Use:

The consequences would be significant to the Corps' maintenance of the 9 foot navigation channel, the City of St. Paul, and to the region if Southport is unavailable for future use as a Corps dredged material placement site.

In the short term, if Southport is unavailable, the Corps would need to consider placing dredged material in areas that are more costly and have potentially greater environmental impacts. Furthermore, the Corps may need to reduce dredging at the St. Paul Barge Terminal dredge cut, which could lead to channel restrictions or closure. Channel closure would lead to extensive economic detriment. Based on the five year average from 2012-2016, approximately 7.5 million tons of commodities transit through Pool 2 on an annual basis. Utilizing the annual tonnage through Pool 2, a multiplier of \$26.47 per ton, and a seven month navigation season, the estimated increase in transportation costs may exceed \$28 million for a 30-day channel closure.

In the long term, if the Corps has no suitable means for properly disposing dredged material in upper Pool 2, the channel in this location may no longer be dredged to suitable navigation standards or material would need to be barged to other locations, thereby increasing maintenance costs and reducing the amount of dredging that could be done throughout the District. As a result, the navigation industry may be forced to use smaller tow configurations in Pool 2, which will increase commodity costs. In addition, smaller tow configurations may lead to increased truck traffic, which would exacerbate pollution and safety concerns in St. Paul and the surrounding metro region. Moreover, the City of St. Paul may be forced to find alternative

placement sites for the SBH project, which it is perpetually obligated to do as the non-Federal sponsor.

Conclusion:

Based on the expected increase in sediment deposition, increased maintenance dredging requirements, and limited real estate options for disposing dredged material in Pool 2, the Corps has determined that there are no other feasible alternatives to using Southport for its navigation project needs. The Corps respectfully requests the St. Paul Port Authority seek approval from the St. Paul City Council for the Corps' continued use of Southport as a dredged material placement site.

The Corps point of contact for questions or further discussion on this matter is Zach Kimmel, 651-290-5154.


Kevin Baumgard
Chief, Operations Division
St. Paul District

Encl