



**The Honorable Jo Ellen Darcy, Assistant Secretary of the Army (CW)
Dredging 2012 Remarks
October 23, 2012 (Opening Plenary Session)**

Thank you, General Walsh for your introduction. And thank you to all the organizers of this event, Kelly and Anne, after all the work you have put in to this week's events. I hope you can exhale soon. Thank you to the PIANC commissioners Bob Engler, Ed Schmeltz, and John Headland for all your work for this organization. Thank you to Eric Van den Eede, for your continued commitment, and Louis Van Schel.

I am happy to also be joined by General Wehr and Col Toy. It is inspiring to have over 20 countries represented at this conference.

I predict lots of dredging puns this week. Maybe there should be a competition for worst and best to shake things up a bit, although I fear the worst could be the best. Any "silt happens" t-shirts in the crowd? If so, I dare you to wear them outside of the hotel...But seriously, I am not here to muddy up the waters...

I am honored to serve our nation and the Army as the Assistant Secretary of the Army for Civil Works. The Army Secretariat Civil Works responsibility to the nation is to develop and restore our water related resources while transforming the program to meet the challenges of the 21st Century.

Civil Works projects are designed and operated for commercial navigation, flood risk management, environmental restoration, hydroelectric power, recreation, and municipal and industrial water supply. In addition to these direct Federal investments, the Civil Works Program includes an important regulatory mission under the Clean Water Act and the Rivers and Harbors Act.

Through our Civil Works missions we produce one quarter of the Nation's hydropower, manage 12,000 miles of commercial inland waterways, have built 14,500 miles of federal levees, and we have 376 million visitor days at our recreation sites per year.

Our challenge is to carry out these missions, balancing the engineering, the economy and the environment.

One such example of balancing is the use of dredged sediments. The nation's marine transportation system consists of about 25,000 miles of navigable coastal, inland and intra-coastal channels.

Approximately 200 to 300 million cubic yards of material are dredged annually by the Corps, as well as other federal and private interests, to improve and maintain the nation's navigation system of ports, harbors, channels, and waterways for commercial, national defense, and recreational purposes.

Many dredged material containment facilities in the United States are nearly or already filled to capacity with material. So we are using this material for beneficial use. Using this dredged material for beneficial use has been classified in seven categories:

- Habitat Development**
- Shore Protection**
- Parks and Recreation**
- Reclamation and Remediation**
- Construction and Industrial**
- Agriculture, Forestry, Horticulture, and Aquaculture**
- And Emergency Response Actions.**

The Corps has various legislative authorities to share the incremental costs of the beneficial use option.

The most commonly used authority for beneficial use of dredged material is Section 204 of WRDA 1992, which allows for protecting, restoring or creating aquatic and ecologically related habitat.

The Jetty Island beach nourishment project in Puget Sound is a project that paved the way for other beneficial use and mitigation projects.

Together the Port of Everett and the Corps created a protective sand berm that allowed for the formation of salt marsh, lagoon and backshore dune habitats on Jetty Island. This beneficial use project was funded by the Corps and the Port.

Using normal operation and maintenance (O&M) funds, the Corps paid all costs for the dredging and disposal of maintenance dredged materials. The Port of Everett obtained all necessary permits and funded biological baseline and monitoring studies for the project.

Another successful case study of beneficial use of dredged material is Poplar Island in the Chesapeake Bay. It is restoring a once rapidly eroding island in the Bay by using material dredged from the federal navigation channels serving the Port of Baltimore. Using 40 million cubic yards of dredged will create 1140 acres of remote wildlife habitat, 50% of which will be wetlands. We at the Corps are very proud of our beneficial use program.

Today I would also like to talk about this Administration's progress in navigation and ports.

The Corps navigation responsibilities cover 40 of our 50 states and include planning and constructing navigation channels and locks and dams, and dredging to maintain channel depths at U.S. harbors and on inland waterways.

As I said earlier, the Corps operates and maintains 12,000 miles of inland and intra-coastal waterway, including 196 commercial lock and dam sites.

Navigation is key to increasing our nation's exports, creating jobs, improving the environment and the economy, and reducing fossil fuel consumption and greenhouse gas emissions. Some facts:

- More than 95 percent of overseas trade moves in and out of the United States by ship.**
- The U.S. marine transportation industry supports nearly \$2 trillion annually in commerce and creates employment for more than 13 million people.**
- Transporting freight by water is the most energy-efficient choice. Barges can move one ton of cargo 576 miles per gallon of fuel. A rail car**

would move the same ton of cargo 413 miles, and a truck only 155 miles per gallon of fuel. Barge is better!

- Approximately 97% of all Waterborne Imports and Exports (tonnages) move through Corps' projects with a value of \$1.69 trillion (Source data is Calendar Year 2011).

President Obama's 2013 Budget established a White House-led Navigation Task Force to develop a Federal strategy for future navigation investments and I am a member of this task force.

The purpose of the Task Force is to inform the President on the challenges and needs of the U.S. Marine Transportation System (MTS) and to help develop a Federal strategy for sound investments, to include critical issues, such as aging infrastructure and the harbor maintenance that U.S. ports are now facing. The work of the Task Force has recently gotten underway and the focus has been on the development of principles to guide federal investments in navigation, including land side improvements, as well as intermodal facilities. We are hoping to inform the FY14 budget development through the work of the Task Force.

The Department of Transportation (DOT) has a program called the Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant program.

It provides a unique opportunity for the U.S. Department of Transportation to invest in road, rail, transit and port projects that promise to achieve critical national objectives. Congress dedicated \$1.5 billion for TIGER in 2009, \$600 million for TIGER in 2012, and \$526.944 million for the FY 2011 round of TIGER Grants. In FY 2012 \$500 million was awarded to 34 states and the District of Columbia to fund projects that have a significant impact on the Nation, a region or a metropolitan area.

DOT and the Army signed a memorandum of understanding this past spring for the Corps to comment on DOT's proposed TIGER grants in an effort to streamline and enhance the effectiveness of Federal investments in multimodal infrastructure projects. Other agencies, including NOAA, have begun contributing to these discussions as well.

The Corps works with local port authorities to oversee dredging and construction projects at hundreds of ports and harbors. Some of these

dredged ports support mobilization of our troops and equipment to overseas contingency operations, as well as transporting commerce.

In March of 2012, President Obama issued an Executive Order on Improving Performance of Federal Permitting and Review of Infrastructure Projects.

A committee of Federal agencies with major infrastructure project, permit or review responsibilities is institutionalizing best practices to reduce the amount of time required to make permitting and review decisions and improve environmental and community outcomes.

These projects were selected to test, evaluate and demonstrate innovations and best practices, and all Federal permit decision-making and review processes will benefit from the results. In order to qualify as a Nationally or Regionally Significant Project, a project must:

- Have an interstate component, provide regional economic benefits, or be directly linked to other nationally or regionally significant projects (e.g., rail to port);**
- Must involve multiple Federal agencies and/or have multiple Tribal, State, or local government permit decision making or review actions associated with its development;**
- Must provide opportunities to demonstrate best practices or test new innovations for reducing the amount of time required to reach Federal permit or review decisions and for improving outcomes for local communities and the environment;**
- And, finally, must be technically feasible and financially viable.**

A Federal Plan published in June of 2012 describes the detailed actions the Administration is taking to improve efficiency and outcomes for communities and the environment.

Some of the innovations and best practices demonstrated on these projects include early engagement with project sponsors and stakeholders, concurrent instead of sequential reviews, assignment of a “coordinating agency” for each project which is on point for coordinating and managing permit decision-making and review schedules, and using the online Federal

Infrastructure Permitting Dashboard to support collaboration and improve transparency.

Each project is different, and time savings can range from a couple of months to several years.

To date, nationally and regionally significant projects have been identified, and 5 out of 23 include important Civil Works navigation projects.

These projects highlight important innovations undertaken during this Administration by the Corps in conjunction with our local sponsors, such as alternative financing, planning modernization and collaboration with other federal agency work. Many of these improvements will help prepare the navigation system for the expansion of the Panama Canal in 2014.

In Georgia, the Savannah Harbor Expansion Project is an authorized deep draft navigation project that will modernize the harbor to accommodate the new generation of larger ships. This will promote a more efficient transportation of goods.

Following a multiyear collaborative effort the deepening is anticipated to proceed in 2014 and yield annual benefits of \$174M.

An extensive mitigation plan is in place to restore, preserve and adaptively manage the surrounding ecosystem.

At the Miami Harbor, the Corps is advancing construction of authorized navigation improvements through an innovative financial partnership with the local sponsor. This new alternative financing mechanism will help complete the deepening of the Miami Harbor by late 2012 and will facilitate the doubling of the harbor's cargo business in the next ten years and the creation of 33,000 jobs. Infrastructure improvements will coincide with landside investments made by the Department of Transportation, guaranteeing safe and reliable movement of people and goods.

The New York and New Jersey Harbor is the east coast's largest and nation's third largest container port, supporting more than 230,000 jobs in the region.

The Corps expects to complete the \$1.6B deepening of the navigation channels to 50 feet in 2014, modernizing them for post-Panamax vessels.

In order to fully realize the economic returns from the navigation improvements, the Corps has integrated its work with the Department of Transportation project to raise the Bayonne Bridge. The bridge raising is planned for completion in 2016 and represents an additional \$1B investment in the New York and New Jersey Harbor.

The Jacksonville Harbor planning study will analyze various options to deepen Jacksonville Harbor from its current depth of 40 feet, up to a maximum of 50 feet. The local sponsor, the Jacksonville Port Authority, is working with the Corps to integrate the study's benefits with landside investments by the Department of Transportation.

This inter-agency collaboration will ensure that the Port of Jacksonville is modernized for the new generation of larger ships, while decreasing transportation costs and increasing navigation safety.

As part of the Corps' planning modernization process, it is implementing an aggressive planning schedule for the Charleston Harbor Feasibility Study that will examine potential options to deepen the harbor.

It is expected to be finished in 3 years and will consider opportunities to reduce navigational inefficiencies, improve cost efficiencies and improve natural resource benefits through the conservation practice of beneficial use of dredge material. This planning modernization is integrating the environmental analyses of many federal agencies and providing opportunities for an earlier construction start.

We are hoping to have a number of other projects included in the nationally and regionally significant project list in the coming months.

We are prioritizing investments that will yield high economic and environmental returns or address a significant risk to public safety and developing innovative and creative ways to leverage our resources and expertise while continuing to deliver value to our Nation.

So get your puns to Anne and Kelly and enjoy your time in San Diego!

Thank you for inviting me.