



DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS
441 G STREET NW
WASHINGTON, D.C. 20314-1000

JAN 29 2020

CECW-ZB

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

SUBJECT: Whittier Navigation Improvements Whittier, Alaska Feasibility Study, Final Integrated Feasibility Report and Environmental Assessment (IFR/EA)

1. Purpose: Request your support for the recommendations provided in the subject IFR/EA.

2. Authorization:

a. This feasibility study is being conducted under authority granted by Section 204 of the Flood Control Act of 1948, which states in part:

The Secretary of the Army is hereby authorized and directed to cause preliminary examinations and surveys for flood controls and allied purposes...to be made under the direction of the Chief of Engineers, in drainage areas of the United States and Territorial possessions, which include the following named localities:...Harbors and Rivers in Alaska, with a view to determining the advisability of improvements in the interest of navigation, flood control, hydroelectric power, and related water uses.

b. Construction of the project, if determined to be feasible, was authorized by Section 5007 of Public Law 119-114, the Water Resources Development Act of 2007 (WRDA 2007). The authorizing language from this Act is:

Section 5007. Expedited Completion of Reports and Construction for Certain Projects. The Secretary shall expedite completion of the reports and, if the Secretary determines that the project is feasible, shall expedite completion of construction for the following projects: (1) Project for navigation, Whittier, Alaska

c. Additional guidance was provided in a Memorandum dated 19 December 2008 (subject: Implementation Guidance for Section 5007 of the WRDA 2007 – Expedited Completion of Reports and Construction of Certain Projects). The Memorandum contained the following guidance specific to the feasibility study:

As study funds are available, the respective Districts should complete the feasibility report following report guidelines for projects authorized without

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a report as specified in Appendix H of ER 1105-2-100. The Districts will review the schedule for the proposed project to identify all opportunities to expedite study completion.

3. Background: Whittier, Alaska is on the northeast shore of the Kenai Peninsula, at the head of Passage Canal on the west side of Prince William Sound, 60 miles southeast of Anchorage. As the closest small boat harbor to Anchorage and as the Gateway to Prince William Sound, the harbor facilities in Whittier are subjected to the demands of a much larger population. Due to this larger demand, Whittier's harbor facilities are inadequate. The existing small-boat harbor is heavily congested and lacks sufficient moorage, boat-launch capacity, and upland support facilities. This results in numerous problems, including transportation delays, increased vessel damages, and increased degradation of harbor facilities, with impacts to subsistence access, delays in oil-spill response, and risks to life and human safety. As the closest small-boat harbor to Anchorage, Whittier's harbor is of regional importance, serving as a hub for the state ferry, cruise ships, rail operations, and a gateway for tourists. The City of Whittier is the non-federal cost sharing sponsor for the project.

4. Recommended Plan: The recommended plan presented in the IFR/EA, which is the National Economic Development (NED) plan, would be comprised of a north-facing breakwater, maneuvering basin, and four-lane launch ramp. The breakwater would be 602 feet long, extending from +8 feet mean lower low water (MLLW) to a depth of -11 feet MLLW. The 670 feet long by 112 feet wide maneuvering channel would be dredged to a depth of -10.5 feet MLLW and require the removal of approximately 62,900 cubic yards of dredged material. All dredged material would be deposited at an adjacent 12 acre upland placement site approximately 1,000 feet east of the proposed project location. Material determined to be unsuitable for upland placement due to chemical contamination would be transported to Anchorage for remediation. The four-lane launch ramp would be 80 feet wide by 156 feet long. The recommended plan will reduce navigation inefficiencies and risks to life and human safety.

5. Project Costs and Benefits: In accordance with the cost sharing provisions of Section 101 of WRDA 1986 as amended, the project's first costs are \$18,606,000, apportioned as \$16,745,000 federal cost and \$1,861,000 non-federal cost. In addition to the non-federal sponsor's estimated share of the project first cost of constructing the project, pursuant to Section 101(a)(2) of WRDA 1986, as amended (33 U.S.C. 2211(a)(2)), the non-federal sponsor must pay an additional 10-percent of the costs for the NED General Navigation Features of the project estimated at \$1,861,000 before interest is applied, in cash over a period not to exceed 30 years with interest. Interest is applied at the time

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of construction using the applicable interest rate. The City of Whittier is also responsible for all lands, easements, rights-of-way, relocation and disposal area costs, estimated to be \$74,000 and other associated costs for local service facilities, totaling approximately \$5,507,000. Estimated associated federal costs of \$63,000 include navigation aids, a U.S. Coast Guard expense. Average annual equivalent (AAEQ) operation, maintenance, repair, replacement, and rehabilitation cost after construction is \$80,000. Economic costs and net benefits are based on the Fiscal Year 2020 discount rate of 2.750%. The proposed project would provide AAEQ net benefits of \$584,000. The benefit-to-cost ratio is 1.58 to 1.

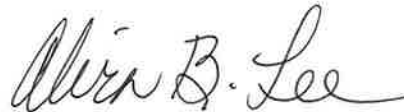
6. Environmental Considerations: Unavoidable environmental impacts of the recommended plan have been identified, however they are minor in nature and do not constitute a major federal action significantly affecting the quality of the human environment. Consequently, a Finding of No Significant Impact (FONSI) has been prepared. As presented in the FONSI, the Corps of Engineers has coordinated with the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, the Alaska State Historic Preservation Office, and the Alaska Department of Environmental Conservation. All practical means to avoid or minimize adverse environmental effects were analyzed and incorporated into the recommended plan. Best management practices as detailed in the recommended plan will be implemented to minimize impacts. These measures include the deployment of a silt curtain with petroleum absorbing boom during periods of in-water excavation and the deployment of marine mammal monitors throughout the site that would have the independent authority to cease project activities should any marine mammal approach the active in-water work area. No compensatory mitigation has been identified for the implementation of this project or is required as part of the recommended plan.

7. Review: In accordance with EC 1165-2-217, Civil Works Review, all technical, engineering and scientific work underwent an open, dynamic and vigorous review process to ensure technical quality. This included an Agency Technical Review and headquarters policy and legal compliance review. An exclusion from a Type I Independent External Peer Review was granted. All concerns have been addressed and incorporated in the final report. Public and agency review of the draft IFR/EA was completed on 29 June 2018. All comments submitted during the comment period were responded to in the final IFR/EA.

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8. Recommendation: I have reviewed and concur with the conclusions and recommendations in the Final Integrated Feasibility Report and Environmental Assessment. The proposed project complies with applicable USACE planning procedures and regulations. The views of interested parties, including federal, state and local agencies have been considered. I recommend that you concur with my findings that the recommended plan is economically justified and environmentally sustainable and support the final IFR/EA.

A handwritten signature in cursive script that reads "Alvin B. Lee".

ALVIN B. LEE

Interim, Director of Civil Works