Review Assessment

of

Plaquemines Parish Government's
Section 203 Study
Baptiste Collette Bayou
Navigation Channel Deepening Project
Integrated Feasibility Study and Environmental Assessment
(January 2017, Amended April 2018)

June 2018

Executive Summary

Plaquemines Parish Government, Louisiana, conducted a feasibility study to address navigation improvements for the Baptiste Collette Bayou Navigation Channel. The study was conducted under Section 203 of the Water Resources Development Act (WRDA) of 1986 (P.L. 99-662), as amended. The Plaquemines Parish submitted the study to the Assistant Secretary of the Army for Civil Works (OASACW) for action. The OASACW conducted a concurrent review of this submittal with the Headquarters, U.S. Army Corps of Engineers (Corps) with the purpose of determining federal interest and that the study demonstrates engineering, economic and environmental feasibility that all reports seeking construction authorization must demonstrate.

Based on the productive issue resolution process, the Secretary has made the determination that the project is feasible. The Plaquemines Parish has demonstrated the technical adequacy of the project, at this phase of project development. As contained in the report documentation, the benefits of the recommended plan outweigh the costs. The environmental compliance activities have been conducted for the study. The Secretary has determined that the report and process followed was legally, technically, and policy sufficient. There are no additional recommendations on the plan nor any additional conditions for construction of the project.

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I. Background

Plaquemines Parish Government, Louisiana, conducted a feasibility study to address navigation improvements for the Baptiste Collette Bayou Navigation Channel. The study was conducted under Section 203 of the Water Resources Development Act (WRDA) of 1986 (P.L. 99-662), as amended. The Plaquemines Parish submitted the study to the Assistant Secretary of the Army for Civil Works (OASACW) for action. The OASACW conducted a concurrent review of this submittal with the Headquarters, U.S. Army Corps of Engineers (Corps) with the purpose of determining federal interest and that the study demonstrates engineering, economic and environmental feasibility that all reports seeking construction authorization must demonstrate.

This Review Assessment provides the results of the Washington-level review of the study. This review has been conducted to determine whether the Plaquemines Parish Government study and the process under which the study was developed, each comply with Federal laws and regulations; a determination of whether the project is feasible; and identification of any conditions that the Secretary may require for construction of the project.

II. Plaquemines Parish Government's Section 203 Recommended Plan

This section provides a summary of the recommended project, as contained within the Baptiste Collette Bayou Navigation Channel, Section 203 Integrated Feasibility Study and Environmental Assessment (January 2017, revised April 2018).

A. Location: Plaquemines Parish, Louisiana. Baptiste Collette Bayou is a distributary of the Mississippi River, approximately 75 miles south of New Orleans near Venice in Plaquemines Parish. The study area is Plaquemines Parish located within the Mississippi River Deltaic Plain of the Lower Mississippi River Ecosystem and the project area consists of Baptiste Collette Bayou and the port facilities in the vicinity of Venice.

B. Congressional Interest: Steve Scalise (LA-1) and Cedric Richmond (LA-2).

C. Senators: Bill Cassidy and John Kennedy (Louisiana)

D. Problems: Plaquemines Parish conducted this study to investigate alternatives for improving access to the oil fields, drilling rigs, and production platforms in the Central and Eastern Planning Areas of the Gulf of Mexico.

E. Project Objectives: The purpose of the study is to assess alternatives to improve navigation, particularly to the Venice Port facilities and to ensure an alternative transportation route to the offshore oil and gas infrastructure from the Venice Port facilities. The planning objectives for the study included:

- Develop and ensure the most effective plan to provide improved access from the port facilities near Venice to the offshore oil and gas exploration and production

infrastructure located in the Gulf of Mexico for effective passage of larger marine vessels that support maritime commerce and offshore oil and gas activities, which would, in effect:

  - Provide a more efficient navigation route to the eastern and east-central Gulf.
  - Provide an alternative route to Southwest Pass and improve the safety of transit for offshore supply vessels.
- Maximize the beneficial use of dredged material for nearby marsh creation/restoration during initial construction and future maintenance.
- Provide economic benefits to the Parish, State, and Nation.
  - A more efficient route would provide cost savings to many of the companies that service the nation's oil and gas industry.

F. Recommended Plan:
The Recommended Plan is a 22-foot deep, 185-foot wide channel through Baptiste Collette Bayou. An environmentally acceptable beneficial use dredged material disposal plan has been identified as part of the recommended plan. The beneficial use plan proposes to use 100 percent of dredged material from construction and maintenance for the creation of bird islands and marsh restoration. Proposed dredging will be with a hydraulic dredge with disposal in designated areas through hydraulic discharge piping. The overall net benefits resulting from beneficial use of dredged material with minimal impacts to fish and wildlife are such that no mitigation would be necessary.

G. Price Level: October 2017

H. Interest Rate: 2.75%

I. Total Project First Cost: $44,920,000

J. Average Annual Cost: $10,950,000.

K. Benefits: Benefits, in the form of transportation savings, are estimated at $15,540,000, yielding net benefits of $4,590,000 and a benefit-to-cost-ratio of 1.42.

L. State and Agency Review: The final feasibility report was circulated for State and Agency (S&A) Review from March 23, 2018 to April 23, 2018. No significant comments were received during the review period.

III. Review History

The Washington-level review was conducted for the draft and final feasibility reports. Additionally, several In-Progress Reviews were conducted during the development of the recommended project. The following text documents the issue resolution process from those reviews.

IV. Section 203 Review Assessment Summary

In accordance with section 203 of WRDA 1986, as amended, the Secretary is required to provide a report to Congress that describes the following:

A. Feasibility determination (Whether the project is feasible (i.e. technically sound, economically justified and environmentally compliant)?

At this phase of project development, the Secretary has determined that the Plaquemines Parish Government's recommended plan is feasible.

B. Recommendations concerning the plan or design of the proposed project.

There are no recommendations or concerns on the plan or design of the proposed project. The Plaquemines Parish has demonstrated the technical adequacy of the project, at this phase of project development. The Secretary has determined that the report and process followed was legally, technically, and policy sufficient.

C. Identify any conditions required for construction of the proposed project

There are no conditions required for construction of the proposed project.

V. Policy and Legal Review Concerns

1. Draft Feasibility Report.

a. General. General summary of comments on the report transmittal package. The policy compliance review identified the following general concerns/suggestions for improvement. Several are discussed in more detail in the remainder of this document

- Report should be double-sided
- The current depth of the channel appears to be missing.
- Environmental Compliance is not complete.
- Update price level/discount rate to Fiscal Year (FY) 2016 rates
- Monitoring & Mitigation Plan missing (sediment and salinity)
- Plan Formulation is incomplete

Response: Noted. Report revised as per the responses to specific comments below.

OASA(CW)/HQUSACE Assessment: The comment is closed, see details below.

b. Environmental

1. Endangered Species Act (ESA). The report, environmental assessment and associated appendices have a number of unresolved issues and inconsistent information, as follows;

- ESA compliance is not complete until a letter of concurrence for "not likely to adversely affect" determinations is received from National Marine Fisheries Service (NMFS). Please work with the District and NMFS to complete the process and include the correspondence and findings in the EA.

Response: ESA compliance is complete and Appendix B has been revised with updated information and NMFS letter documentation.

OASA(CW)/HQUSACE Assessment: The comment has been resolved by conclusion of the ESA process as documented in the final report.

- The red knot, which was listed by the US Fish & Wildlife Service (USFWS) as ESA threatened on January 12, 2015, is not discussed in the biological assessment (BA) that begins on page B-73 of Appendix B, although the red knot is recognized as a candidate species in the feasibility report. The final feasibility report is dated August 2015, and should have incorporated the red knot as a listed species. The BA should be revised to include the analysis of the red knot

because the species is found in Louisiana, and the feasibility report and appendices should be updated accordingly.

Response: The BA has been re-coordinated with USFWS. An updated BA with updated species, including the Red Knot, can be found in Appendix B, Section B-4. The report and appendices have been updated accordingly.

OASA(CW)/HQUSACE Assessment: The comment has been resolved by the changes incorporated in the final report.

- The biological assessment on page B-73 does not include the gulf sturgeon as a listed species under NMFS jurisdiction, although the species is mentioned on page 108 of the feasibility report. Also, the determination of affect for the gulf sturgeon is incorrectly attributed to the jurisdiction of the USFWS on page B-78; the gulf sturgeon is under the jurisdiction of the NMFS. The biological assessment should be revised to add the gulf sturgeon to page B-73 and the discussion of the gulf sturgeon on page B-78 should be moved to the section concerning species under NMFS jurisdiction.

Response: The BA has been re-coordinated with NMFS. An updated BA with updated species, including the Gulf Sturgeon, can be found in Appendix B, Section B-4. The report and appendices have been updated accordingly.

OASA(CW)/HQUSACE Assessment: The comment has been resolved by the changes incorporated in the final report.

- Section 5.2.2.7 of the feasibility report includes statements in the discussion for the Sprague's pipit, red knot, gulf sturgeon and pallid sturgeon stating that no substantial negative impacts are anticipated because the project does not directly impact designated critical habitats. This statement is misleading, and should be deleted from the report because direct impact to critical habitat, in and of itself, is not determinative concerning the analysis of effects to the species. Any number of significant adverse effects could occur to a listed species that may be entirely unrelated to direct impacts to critical habitat.

Response: The misleading statement has been removed from the report. See below. Changes to the original text are noted it red.

Birds
Threatened – Piping Plover, Rufa Red Knot

Compared to the No-Action Alternative, the project will benefit the species through marsh and bird island creation. ~~There is no critical habitat for the birds in the vicinity; hence, no substantial negative impacts are expected~~

~~from project activities~~. Construction activities may cause birds occurring in the project area to be temporarily displaced, but other islands containing foraging and loafing habitat occur within the nearby vicinity. Any prey species present on the bird islands, one disposal area for dredged material, would recolonize the area in approximately one year. The increase in size and elevation of the bird islands from the beneficial use of dredged materials will increase habitat suitable for wintering birds.

Fish
Endangered - Pallid Sturgeon, Sawtooth Sawfish
Threatened – Gulf Sturgeon

Activities from this project are not likely to adversely affect these fish. ~~The areas impacted by project activities are not critical habitat~~. Disturbances are expected to be temporary and these fish have the mobility necessary to avoid these areas during periods of dredging.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

2. Agency coordination documents are outdated. The coordination documents for the USFWS and NMFS date to the period between 2008 and 2010. Also, guidance from the Council on Environmental Quality (CEQ) recommends that NEPA documentation older than five years be revalidated. Any documentation and correspondence older than five years must include an update from the appropriate consulting agency to confirm the information previously provided is still current and applicable (e.g., the listing of the red knot in January 2015). Request that these two agencies be contacted to confirm that their concerns related to the project have not changed significantly.

Response: Recent coordination with USFWS and NMFS has been conducted and new (2016) coordination documents are included in Appendix B. Both Main report and Appendix B have been edited accordingly.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

3. Demonstration of compliance with Federal laws. The feasibility report has numerous examples where compliance with Federal laws has not been completed, including final biological opinions or completed consultations under ESA from USFWS and NMFS, completed programmatic agreement for Section 106 of the NHPA with the Louisiana State Historic Preservation Officer (SHPO), concurrence of NMFS for the essential fish habitat section of the Magnuson –Stevens Act, or concurrence from the State of Louisiana under the Coastal Zone Management Act. See items below for more detail. The best illustration of the incomplete nature of the compliance with Federal laws is the large number of blank spaces in the draft Finding of No Significant Impacts on page B-95 of Appendix B. The incomplete nature of the compliance for this project is being pointed out not to fault the report or its preparers, but to highlight that it is unclear how

and when the report will be deemed to be in full compliance with Federal laws, and who will be responsible for making this determination.

Response: Coordination by the Corps New Orleans District (USACE MVN) has been completed with all necessary agencies and compliance with Federal laws is documented throughout the report. Coordination with USFWS, NMFS, LA DEQ and LA DNR and compliance with respective laws are shown in the updated Appendix B. Coordination with SHPO and compliance with Section 106 of the NHPA is also shown and included in Appendix B, including the Programmatic Agreement. FONSI has been updated to include dates of agency correspondence.

OASA(CW)/HQUSACE Assessment: The comment has been resolved, compliance with applicable environmental laws has been documented in the final report.

4. Essential Fish Habitat (EFH). EFH assessments must result in a determination of either "will not adversely affect EFH" or "may adversely affect EFH". Please finalize the EFH assessment with a complete determination. If "may adversely affect EFH" is made, then work with the District and NMFS to complete the process with a consultation letter to NMFS, associated response, and inclusion/consideration of any conservation recommendations from NMFS.

Response: Appendix B has been edited to include in the Conclusion section of EFH the following. "It is acknowledged that the creation of bird islands will adversely affect the estuarine water bottom and column by conversion to non-EFH habitat. However, the conversion of those same EFH to intertidal wetlands which provide a higher habitat value will offset those adverse effects."

Main Report Section 5.2.2.5 has been updated as shown below. Changes to the original text are noted in red.

With Project Alternative:

Future with Project Conditions -- Direct Impacts

Alternatives 1 through 5 – Canal depth 18', 20', 21', 22', and 23': Compared to the No-Action Alternative, direct impacts to submerged aquatic vegetation, emergent marsh, water bottoms, estuaries, and oyster reefs could include limited destruction of live bottom habitats, limited sediment transport, temporary loss of food items, increased sediment loads and turbidity, and temporary displacement of fish species.

Impacts Due to Project – Overall the project "will not adversely affect" EFH. The creation of bird islands "will adversely affect" the estuarine water bottom and column by conversion to non-EFH habitat. However, the conversion of those same EFH to intertidal wetlands which provide a higher habitat value will offset those adverse effects. Any other negative impacts to the EFH are only

temporary and will be offset by the creation of new habitat through the beneficial use of dredged materials.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

5. Coastal Zone Management Act. A determination of federal consistency is needed prior to the signing of the FONSI. Please work with the USACE MVN and Louisiana DNR to submit all required information and receive a consistency determination for inclusion in the Final Environmental Assessment (EA) and FONSI.

Response: Coordination with LA DNR and a determination of federal consistency has been completed and is included in Appendix B.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

6. National Historic Preservation Act (NHPA).

- As required by Section 106 of NHPA, to show that the project is in compliance a letter to State Historic Preservation Office (SHPO) with the determination of "no historic properties affected" and a letter of concurrence from the SHPO is needed. If finding is a "no historic properties affected" a programmatic agreement is not required but a monitoring plan may be required identifying potential need for re-consultation depending on design and additional surveys. If a programmatic agreement is required, this needs to be completed prior to the signing of the FONSI and included with the Final EA to confirm compliance with NHPA. Please work with the District and SHPO to complete the process and include the correspondence and findings in the EA.

Response: A letter to SHPO was prepared and sent. A response letter was received that concurred with assessment. As such a Programmatic Agreement has been prepared and all documentation is included in Appendix B.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

- Appendix J references a cultural resources phase I survey but nothing is included.

Response: Results from the survey, along with maps and tables, are included as an Appendix to the Cultural Resources Report in Appendix J. In Appendix II, table 4 lists the "magnetic anomalies," along with an identification description, recorded in the project area. Table 5 lists "side scan sonar contacts," along with an identification description, recorded in the project area. Appendix III includes maps that show the locations of the magnetic anomalies and side scan sonar contacts as well as reported shipwrecks and pipelines.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

6. Interpretation of Section 404(b) (1) Guidelines.

- The 404(b) (1) analysis does not end in a clear statement of which alternative is the least environmentally damaging practicable alternative (LEDPA). An identification of the LEDPA should be included in the findings section of the analysis.

Response: This section has been rewritten and prepared by USACE MVN. In addition, the following was added in the 404(b) (1) analysis in Appendix B:

> "Least Environmentally Damaging Practicable Alternative (LEDPA)
> The alternatives evaluated in this study all had essentially the same environmental impacts and were therefore evaluated collectively throughout the report (see Section 5 of the Main Report)."

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

- The last paragraph in Section 8.1 of the report includes an incorrect statement about the Section 404(b) (1) Guidelines. The sentence in question is "No long term impacts relevant to these regulations are expected as a result of this project; therefore, no permit will be required". This statement is incorrect, and should be deleted. Compliance with the 404(b) (1) Guidelines means that the proposed discharge into waters of the United States would not result in unacceptable adverse effects, but does not mean or imply that no permits under the Clean Water Act would be required. Also, the last sentence in this paragraph appears to be a reference to a special use permit related to disposal of dredged material on USFWS refuge lands, and should be deleted because it is not relevant to the discussion of the Clean Water Act.

Response: The above-referenced section should be Section 8.2. The two referenced statements have been deleted from Section 8.2 of the report.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

7. Inconsistency of 404(b) (1) Guidelines analysis and feasibility report. Page B-2 of the Section 404(b) (1) Guidelines analysis characterizes the material dredged from the project as predominantly composed of sand and silt, while page 85 of the feasibility report states that the dredged material is a mixture of clays and silts. The characterization of the dredged material should be rectified in these two locations, and the analyses in the feasibility report and Section 404(b) (1) Guidelines revised accordingly.

Response: After reviewing the geotechnical report in Appendix C, the dredged material is a combination of sand, clays and silts. The Water Quality Report in Appendix B-1 and the Main Report have been revised accordingly.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

c. Plan Formulation

The plan formulation process is incomplete. While the report describes aspects of the recommended plan (deepening and disposal), the following deficiencies were noted.

- Dredge disposal – The feasibility report failed to demonstrate if open water or confined upland measures/alternatives were considered in determining the least cost disposal (Federal Standard).

Response: The report has been revised to discuss other measures considered for disposal. See the response to the June 2012 Review (August 2015 Backcheck), Plan Formulation, Comment 10 above for revisions to Section 4.6.1 of the report.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

- Beneficial Use of Dredge Material Ecosystem Creation/Restoration. The report does not include a consolidated section that discusses the plan formulation process for the beneficial use of dredge material for the habitat creation as defined in ER 1105-2-100 page 3-3. It should include a plan formulation analysis that shows the aquatic ecosystem restoration in the least cost, environmentally acceptable method. In addition, in accordance with Section 2039 of WRDA 2007, when ecosystem restoration/creation is proposed there should be a clear monitoring and adaptive management plan that has a clear objective for the restoration, performance standards, monitoring protocol and adaptive management strategy."

Response: Ecosystem Creation/Restoration benefits are only incidental and not an objective of this study. However, Section 4.6.1 has been revised to discuss other measures considered for disposal. Environmental benefits were not considered when determining the Least Cost Disposal Plan.

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

- Jetty Modifications – The feasibility report mentioned that jetty modification may be needed but it never evaluated this as a measure or alternative plan.

Response: Section 4.2.4 states that jetty modification or construction would be evaluated after the preferred project route, configuration, depth and width were determined. Section 6.7.2.3 evaluates extending the existing rock jetties into the Breton Sound area for sediment control of the Recommended Plan. The 2nd paragraph states, "Upon review of the new sediment analysis, there did not appear to be a defined benefit from implementing sediment control measures since the increase in sediment deposition appeared to be manageable within the economic model for the project. The option of extension of the jetties was discouraged by the U.S. Coast Guard (USCG) as a navigation hazard."

OASA(CW)/HQUSACE Assessment: The comment has been resolved.

d. Operations

1. Advanced Maintenance VS Paid Overdepth - Section 6.7.1.1. Dredging. It is stated in various document sections that the design depth plus an additional 2 feet for advancement and dredging is shown on the drawings. Is this actually advance maintenance or is this paid overdepth? There is a marked difference in costs which is tied to Operations and Maintenance (O&M) funding streams and ultimately the use of the waterway if advanced maintenance is not routinely performed and vessel operators are anticipating the authorized plus advanced maintenance depths.

- Significance of Concern: High
- Resolution: See Advanced Maintenance VS Paid Overdepth-Section 4.3.2.2

Response: The Recommended Plan includes 2-feet for advanced maintenance and 1-foot for overdepth. The report has been revised throughout to clarify.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

2. Channel Marker Relocation - Section 6.7.1.1. Dredging-Need itemized estimate of costs to move the existing navigation markers to new width of 185 ft. Need to include cost for decommissioning of existing markers and establishment of new channel markers.

- Significance of Concern: High
- Resolution: Define the type of existing and future channel markers, document coordination with USCG and revise report with costs. The lead time once pipelines are determined to need relocation is often over one year or more to allow sufficient time for the USCG budgeting process to reflect this relocation need.

Response: Section 6.7.1.1 does not discuss costs and is only an outline of the dredging operations for the Recommended Plan. Costs for Navigation Aids can be found in Table 6-8. The cost was determined after discussions with USCG and is accurate. Further breakdown of the costs can be found in Appendix C, Annexure C5. More detailed estimates will be prepared during PED Phase.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

3. Dredged Material Placement Options - Section 6.7.1.2. Dredge Material Disposal. What other dredging alternatives exist such as in water or other placement options. This references the Federal Standard (33 CFR parts 335-338).

- Significance of Concern: High- Deficiency. The Federal Standard needs to be addressed in particular as it will come into play with future O&M dredging events. It is conceivable that other dredged material placement options could be less cost and environmentally acceptable.

- Resolution: Dredge material placement needs to be evaluated based on all dredge material placement options, not assuming habitat creation is the only option.

Response: Section 4.6. has been revised to discuss other disposal methods to determine the least cost plan (Federal Standard). See the above response to the June 2012 Review, Plan Formulation, Comment 10 for report revisions.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

4. Pipeline Relocations - Section 6.7.2.1. Pipeline Relocations. It is recommended that actual evaluations of precise placement of whole pipelines is performed. It is rare that as built drawings are accurate as to pipeline location and depths. This can only be determined with actual in-field locating services. Please note that pipeline relocations are the responsibility of someone other than the Federal Government.

- Significance of Concern: High

- Resolution: See Pipeline Relocations-Section 5.2.4.8 – Man Made Resources

Response: Table 6-7 indicates a high degree of reliability for the location and depth of pipelines. Information on the pipelines was gathered from online databases and from contacting the pipeline owners. We believe that the accuracy of the pipeline locations is to the maximum extent practicable for the feasibility phase. Pipeline locations will be confirmed during the PED phase. Once pipeline relocations are completed, their locations will be surveyed. Also, a compensability determination during PED Phase will be completed to determine responsibility for pipeline relocation costs. The cost for the relocations is included in the Non-Federal responsibility portion as shown in the Cost Apportionment – See Table 6-14.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

5. Damage to Vessels - Section 2.3.1. Problem Statement. Please describe damages to vessels that are specifically incurred because of the absence of the eastward access point to/from the Mississippi River through Baptiste Collette Bayou.

- Significance of the Concern: High- While there is a general listing of damages incurred in the geographical area, it is not clear that these damage were specifically due to the existing channel conditions.

- Resolution: Provide the requested channel-specific damages data.

Response: Section 4.3.3.2 references an accident in Southwest Pass that was caused by traffic during extremely foggy conditions in which 5 OSV crew members were killed. This is just one of the major, documented, instances in Southwest Pass. Other, less severe, instances occur more frequently, but are not documented as the damage is less severe and there is no loss of life. References to damages to vessels in Southwest Pass come from interviews with boat operators that frequent the river. There are no quantified damages and therefore they are not counted in the economic analysis. Reduction of traffic in Southwest Pass is expected to provide an incidental benefit of potential reduction in accidents and vessel damage. Section 4.3.3.2 has been updated to say that the reduction in damages and accidents are incidental benefits and are not counted in the economic analysis.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

6. Vessel Draft Needs in Channel-Section 4.3.2.1. Design vessel for preliminary route alternatives. Why was a maximum loaded draft of 18 feet used and what data was used to support this draft need?

- Significance of the Concern: High- What vessels or classes of vessels are expected to use this new channel? The study states an optimum depth and width based on BCR, however, this reviewer did not identify a strong need stated in the document with the exception of convenience and potential cost savings and some potential safety optimization.

- Resolution: Provide the requested channel-specific current and projected vessel class data.

Response: Section 4.3.2.1 states, "Following discussions with shippers and boat owners, the study team identified vessels with maximum loaded drafts of 18 feet as representative of the largest vessels likely to use the channel under current and "future with project conditions." Standard channel dimension was utilized for each alternative for consistent evaluation of the routes. Section 4.3.2 and all subsections outline the preliminary investigation to determine the best route. Once the route was selected then an evaluation of a wide range of channel depth/width combination along the route were evaluated. This number of options was further reduced and a detailed analysis conducted as discussed in Section 4.5. The final plan selection which includes the optimum channel depth is not determined until Section 6.0. Also, a detailed discussion on the vessel fleet is included in Appendix A - Economics.

OASA(CW)/HQUSACE Assessment: Comment is resolved.

7. Advanced Maintenance VS Paid Overdepth-Section 4.3.2.2. Description of Preliminary Route Alternatives. It is unclear the depth that is being proposed for dredging and the allocation of the depth dredged to 1) paid overdepth and 2) advanced maintenance.

- Significance of the Concern: High. Why was 3 ft. Advanced Maintenance included? Does the 3 ft. Advanced Maintenance include 2 ft. of paid

overdepth, making advanced Maintenance only one additional foot? From a budget perspective, advanced maintenance is evaluated differently and with generally less priority than the routine O&M dredging.

- Resolution: Provide the amount of paid overdepth in feet and separately, the advanced maintenance dredging requirement if there is one.

Response: The plan includes 2 feet for advanced maintenance and 1 foot for overdepth. This has been clarified throughout the report. This has been typically utilized for the existing dredging of the Baptiste Collette channel and was therefore applied to the preliminary analysis.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

8. Channel Design Vessel-Section 4.4.2. Channel Design Basis for Alternate Channel Alignments of the Preferred Route. Somewhat related to comments regarding Section 4.3.2.1.

- Significance of Concern: High as the channel needs to be configured to meet the needs of current and projected commerce. What modeling software/model was performed to develop the proposed channel configuration?

- Resolution: Please describe the design vessel that was used as the vessel for the proposed channel modeling and why it was chosen?

Response: The different vessels used to determine the channel alignment are shown in Table 4-4. Vessel draft is the determining factor; therefore, vessels with drafts ranging from 11-feet to 26-feet were analyzed. This range was determined based on discussion with shipper and boat owners. In addition, Appendix C, Annexure C2 discusses the modeling utilized for the project. Specifically, Section 3.1 and 3.2 discuss the modeling for the channel alignment.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

9. Dredge Material Placement-Section 4.6.1. Least Cost Disposal Plan (LCP). Information seems to be missing regarding the dredging and placement options that were evaluated, but it is assumed that hydraulic dredging was most likely used.

- Significance of Concern: High

- Resolution: Please describe the method of dredging and disposal placement of the dredged material with justification as to the dredging technique. For the development of approximate dredging costs, what equipment size was used (pipeline diameter, production rates, dredge efficiency, etc.)?

Response: The following paragraph has been added to Section 4.5.2:

Each alternative was analyzed using a cutterhead dredge and hydraulic pipeline. Current maintenance dredging in Baptiste Collette utilizes a cutterhead dredge; and following discussions with USACE, it was determined that dredging with a cutterhead is the most efficient and cost effective method and will therefore be utilized for this project.

A discussion on the disposal methods has been added to Section 4.6.1: "The Study Team evaluated two different types of disposal methods: open water/marsh placement, which involves the discharge of dredged material directly into open water/marsh, and confined upland disposal, which involves having to design and construct a containment dike or berm prior to disposal, and having to maintain the site after disposal. Due to the close proximity of the project to open water/marsh, and the cost of having to construct a confined disposal site, transport the dredged material further upland, and maintain the disposal site, it was quickly determined that open water/marsh disposal was the least costly disposal method. In furtherance of identifying the least cost method (i.e., federal standard), open water/marsh disposal sites in closest proximity to the dredged locations that were suitable to beneficial placement were identified. Given the remote location of the channel and lack of development, containment dikes for the disposal were deemed unnecessary and eliminated from consideration due to cost and maintenance. This plan is also consistent with the existing Baptiste Collette O&M practices.

Several methods of dredging were considered that are directly related to type of disposal. The three types of dredges generally available for commercial dredging are hopper dredges, cutterhead dredges and dustpan dredges. Hopper dredges are more expensive to utilize than the other two dredges. Also, they are not designed for beneficial placement of dredged material. Although some have been retrofitted to provide pump out capability and place material beneficially, this adds even more cost and time to the dredging process. The main advantage for this type of dredging and disposal method is the agility that hopper dredges provide. In high traffic areas, hopper dredges can quickly move out of the way of traffic, thus providing for much safer dredging, especially where very large vessels are traversing. Since the advantages provided by hopper dredges are not a concern for Baptiste Collette and the cost of using them is very high, use of hopper dredges was quickly eliminated from further consideration.

The second method of dredging is with dustpan dredges which is the least expensive method of dredging and disposal. However, they can only be used for open water disposal and can only pump about 1,000 feet in distance. This is suitable for channels in open bays where side cast is proposed. Since the upper portion of the Baptiste Collette channel is in open water, this type of dredge could be utilized. For purposes of this report, we assumed a dustpan dredge would be available. Since they cannot be used for beneficial use, they are not proposed for use in the lower inland reaches.

The third method of dredging is with cutterhead dredges. This is the second cheapest method of dredging and the preferred method for placing material beneficially. The disadvantage of this method is the lack of agility found in hopper dredges, which as mentioned previously, is not a concern for Baptiste Collette. Although not the cheapest method of dredging, the beneficial placement of material offsets the mitigation that would otherwise be required, hence making it the overall most cost effective method for dredging and disposal. This method of dredging allows for open water disposal into marshes and other wetland areas, either confined or unconfined."

OASA(CW)/HQUSACE Assessment: The comment is resolved.

10. Creation of Habitat Assumptions in Document-Section 5.2.2.4. Marine Fisheries Resources. In regards to impacts to oysters, the document states that "any impact to the seeding grounds will be far outweighed by the beneficial impacts of marsh restoration in bird Island creation."

- Significance of Concern: High. What if the creation of bird islands and marsh restoration is not within the context of the Federal Standard which requires disposal of material to be performed in the least cost, environmentally acceptable manner? Will the state agencies still look favorably on this project if those islands and marsh restoration is not completed due to cost implications?

- Resolution: Determine the Federal Standard parameters and evaluate and report the least cost, environmentally acceptable approach (The Federal Standard).

Response: The disposal of the dredged material outlined in the report is consistent with existing dredged material disposal practices for Baptiste Collette maintenance dredging. The fact that there are benefits to the disposal plan is just a bonus as these are considered incidental. As discussed in revised Section 4.6.1, this is the Least Cost Disposal Plan (LCP); therefore, the LCP is the Federal Standard. In regards to Marine

Fisheries resources in section 5.2.2.4 the statement about "oyster seeding grounds" has been revised to say *"Coordination with USACE and Louisiana Department of Wildlife and Fisheries (LDWF) was initiated with respect to the state oyster seeding grounds, and the understanding is that upon completion of this feasibility study and before project construction, LDWF will be contacted when detailed plans for project construction are developed and discuss the need for a water bottom survey and any other appropriate actions, and take action accordingly."* Coordination documentation with LDWF is included in Appendix B.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

11. Nomenclature and Presentation - Section 3.2.2.1. Scrub-Shrub. This section describes the deposition of dredging "spoils". Please reference the term dredged material placement instead of "disposal" and use dredged materials instead of the very old term "spoils" in particular as these materials are slated for the creation of habitat and environmental restoration.

- Significance of the Concern: Moderate- While there is a general listing of damages incurred in the geographical area, it is not clear that these damages were specifically due to the existing channel conditions.
- Resolution: Update dredged material and associated placement with more contemporary terms as described above.

Response: Paragraph and rest of the report has been edited to update with the more current terminology. However, the term "spoils" is used in the Coastal Use Guidelines outlined in the Louisiana Administrative Code, Title 43, Part 1, Subpart 1, Chapter 7. These guidelines, along with responses, are discussed in Appendix B, Section B-2, Section titled "Coastal Use Guidelines". Also, this section is just describing the general conditions of the overall biological area and is not making reference to damages.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

- NED Cost Evaluation-Section 6.2.2 National Economic Development (NED). For the NED benefit cost evaluation, how does the downturn in the petrochemical industry affect the costs presented as well as benefits?
  - Significance of Concern: Moderate
  - Resolution: Verify and update economic projections according to Corps guidelines.

Response: A sensitivity analysis can be found in Appendix A, Section 6.1 and outlines the different oil & gas scenarios that could affect the projected benefits of the recommended plan. The Deep Draft Navigation Planning Center of Expertise (DDNPCX) have reviewed the economic model, along with projections included in the

model, and have determined that the model is certified for use according to Corps guidelines. A copy of the certification can be found in Appendix A, Attachment A.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

12. Dredging Frequency-Section 4.3.3.2. Reduce Delays and Damages and Increased Safety. There is a statement defining that South Pass is only scheduled for maintenance dredging approximately every seven years.

- Significance of Concern: Low as it is not the main subject of the study, but only one of the alternatives for shallower draft vessels if Southwest Pass is not open.

- Resolution: Please confirm with actual data (last dredged) and next projected dredging event for South Pass.

Response: It was confirmed by USACE MVN that the last dredging in South Pass was completed in January 2007. Historical dredging of the channel shows that it's dredged every 7 years on average. It has not been determined when the channel will be dredged again.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

13. Pipeline Relocations-Section 5.2.4.8. Man Made Resources. Pipeline relocations are the responsibility of the project sponsors not the federal government unless national security is threatened. It was unclear to the reviewer if these relocation costs were accounted for in the BCR and all cost estimates.

- Significance of Concern: Low

- Resolution: All pipeline relocations must be submitted to USACE Regulatory and receive appropriate permits and environmental clearances as required before pipelines can be relocated.

Response: This section only discusses the need for pipeline relocations. Chapter 6 discusses the pipeline relocations in more detail. As you can see from Table 6-3 which presents the array of alternatives evaluated, the pipeline relocation costs are included in the estimate and total cost used in the BCR. Paragraph 6.7.2 discusses the design requirements of the pipeline relocation requirements as part of the recommended plan. Also, the cost of the relocations is included in Table 6-8 and is part of the total cost utilized in the BCR. And in Table 6-14 it is shown that the responsibility for pipeline relocation costs is a non-federal responsibility. The determination of who pays for the pipeline relocations will be based on a compensability determination completed by USACE during the PED Phase. Concur that permits would be required by the pipeline companies who would need to perform the relocation. However, this will be performed during PED Phase. In Real Estate Appendix D, there is discussion regarding the permits for the existing pipelines.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

e. Real Estate (RE)
The Real Estate Plan raises the following questions and comments which must be resolved. ER 405-1-12, Chapter 12, 12-16c details the requirements of a Real Estate Plan. This Real Estate Plan raises many questions.

1. Estates. Are any lands, easements, rights of way or other real estate interests needed for this proposed project that are outside the navigation servitude? If so, for what purpose(s) and/or project features, what are the acreages, what is the current ownership, what is the cost of the proposed acquisition, etc.

Response: The channel dredging occurs within the Navigation Servitude. The dredged material disposal is within State Water Bottoms. The non-federal sponsor will be required to obtain a "Grant of Particular Use" from the State Land Office for the dredged material disposal in the State Water Bottoms and then provide an "Authorization for Entry" to the USACE. There is potential need to acquire a "Perpetual Pipeline Easement" for the dredged material disposal pipeline than my need to cross private land. Easement language has been added. Based on similar property costs in the area there will be minimal associated costs. There will also be some RE administration costs for coordination and preparation of any agreements/documents. The RE Appendix and main report have been edited to clarify. A cost summary breakdown is also included. See Table 6-11 for the overall acreages of marsh and bird island creation expected within the State Water Bottoms

OASA(CW)/HQUSACE Assessment: The comment is resolved.

2. Non-standard Estates. The Real Estate Plan lists no costs and says no interest in real estate is to be acquired. If all interests necessary for the project can be made available under the navigation servitude, why are there non-standard estates proposed? Where would such non-standard estates be necessary? How are they to be acquired at no cost? Who owns the underlying interests?

Response: The dredging is all within "Navigation Servitude" or disposal is all within "State Water Bottoms". There are no "Non-Standard Estates" required and reference to them has been removed from the report. There is potential need to acquire a "Perpetual Pipeline Easement" for the dredged material disposal pipeline than may need to cross private land to get to the beneficial disposal sites. Easement language has been added. Based on similar property costs in the area there will be minimal associated costs. Appropriate RE costs have been added in table as discussed in comment response above. In addition, Parish Capability Assessment has also been included.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

3. Real Estate Mapping. The map included with the Real Estate Plan does not appear to be sufficient. ER 405-1-12, Chapter 12, 12-16c (8) clearly delineates the necessary requirements for a real estate plan map or maps. Among other requirements, it needs to show proposed areas of acquisition, if any, and proposed relocations.

Response: Maps have been revised and added to include the pipelines (impacted and not-impacted), the oyster leases and state seeding grounds, mineral leases, state water bottom limits. A map with in the report has been added to show potential routes (for dredged material disposal pipeline) to two of the beneficial use disposal areas that potentially cross private property. These are preliminary and will be determined and finalized during PED phase.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

4. Cost and Schedule. The Real Estate Plan does not include any real estate costs or schedule. Both are required by the regulation. Would there not be real estate administrative costs on both the non-Federal and Federal sides?

Response: Concur. Per comments above, there is potential need to acquire a "Perpetual Pipeline Easement" for the dredged material disposal pipeline than my need to cross private land to get to the beneficial disposal sites. Easement language has been added. Based on similar property costs in the area there will be minimal associated costs. In addition, there will be some ancillary real estate administration costs for coordination and preparation of agreements/documents. A detailed cost estimate has been prepared to cover these costs. Further coordination of property ownerships and any agreement type documents will be completed during the Design phase of the project which allows a year to perform these activities. The RE Appendix has been updated to reflect the addition of cost. The project schedule has been updated to include RE line item activities. A schedule has been added in the RE Appendix and a line item in the overall project schedule included in Appendix C. In addition, Parish Capability Assessment has also been included.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

5. Easements. Page D-1 of the Real Estate Plan (REP), Easements, says the project will require easements on publicly owned lands. Yet on page D-4 of the Real Estate Plan, the last sentence on the page says "...no real estate is being acquired..." This conflict must be resolved. See also page D-5 of the Real Estate Plan, "Navigation Servitude" which says disposal areas for dredged materials are not within the servitude. How does the NFS intend to acquire such areas when the REP says no interests in real estate are to be acquired, does not include any real estate costs, and says the NFS does not currently have the necessary interests?

Response: The dredging will be within the Navigation Servitude and the dredged material disposal will be within State Water Bottoms. The non-federal sponsor will need

to acquire a "Grant of Particular Use" from the State Land Office for the dredged material disposal. In addition, it has been determined that there is potential need to acquire a "Perpetual Pipeline Easement" for the dredged material disposal pipeline than my need to cross private land to get to the beneficial disposal sites. Easement language has been added. Based on similar property costs in the area there will be minimal associated costs. Appendix D has been rewritten to clarify. Cost table has been included to clarify all potential costs.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

6. Capability Assessment. As previously commented, a capability assessment is required. Among other things, it is being proposed that permits allowing pipelines to be in place are to be revoked, apparently without compensation. This requires a capability assessment.

Response: A capability assessment has been prepared and included in the report. In addition, during the PED phase an attorney opinion of "Compensability Determination" will be required for the proposed pipeline relocations.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

7. State Water Bottoms. Page D-5 of the Real Estate Plan, "Publicly Owned Lands Easements Rights of Way) (LER)" proposes use of state owned water bottoms. Wouldn't the navigation servitude allow this? If not, how does the NFS propose to acquire the right to use the state owned property? See also the "Acquisition" paragraph on page D-4 of the Real Estate Plan, which says, inter alia, all disposal areas will be within state-owned water bottoms. Are these within the navigation servitude?

Response: The channel dredging will be within the Navigation Servitude and the dredged material disposal will be within State Water Bottoms which is outside of the Navigation Servitude. The non-federal sponsor will need to acquire a "Grant of Particular Use" from the State Land Office for the dredged material disposal. Appendix D has been rewritten to clarify.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

8. Relocations. Page D-6 of the Real Estate Plan, "Facility or Utility Relocations" infers a reliance, at least in part, on the Corps revoking existing permits allowing the pipelines to be in place. It cannot be assumed that this can be done without compensation. It also includes this language: "...the costs associated with the majority of the relocations will be borne by the pipeline owners." This language indicates that some portion of the pipeline relocations would not be the pipeline owners' expense, but rather an 02 account Relocation expense...yet the Real Estate Plan says no real estate interests are to be acquired and does not include any real estate cost. Note that Table 2 on the next page, D-7, indicates that the owners are each likely to be responsible for the pipeline relocations costs and that each is present under, inter alia, a state ROW grant.

Compensability of relocations of pipelines located with the channel should be determined in reference to state law and the terms of non-Federal permits or licenses.

Response: Concur. Pipelines will be required to be relocated. Based on preliminary review of pipeline permits as discussed, pipeline owners may be required to pay for their pipeline relocation as permit language indicates "...*without expense to the United States*..." or per state language "*the entire cost of such alteration or relocation shall be borne by the Grantee,..*". However, for purposes of this report, it will be assumed that all relocations will be compensable. The full cost of pipeline/utility relocations has been determined and considered in the economic evaluation of this study as a cost to the economy. The Appendix language has been rewritten to clarify. Table 6-14 shows that the relocations cost are included in the Non-Federal portion. Cost is also included in the 02 account in total project cost summary in Appendix C. This is to make sure it is all included as part of the project cost. During the Design Phase of this project, a Compensability Determination will be conducted to determine which relocations are eligible for payment by the Non-Federal Sponsor as part of their cost share obligations. The section has been rewritten to clarify.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

9. Oyster Leases. Page D-5 of the Real Estate Plan, "Mineral Activity/Oyster Leases" includes a table 1, Active Leases. The language in the paragraph before says there are four active mineral leases, then the table lists 5. It would appear these leases need to be subordinated to project purposes or otherwise acquired. Again, this would entail costs, at least administratively if not also including compensation.

Response: The discrepancy between the table and paragraph have been clarified and the table updated. The intent is to avoid areas of active mineral leases and or wells. If it is not possible to avoid lease areas, then they would be subordinated to project purpose as suggested. Administrative costs have been added to the 01 account and all cost tables adjusted as necessary. The Oyster leases discussion has been moved to a separate paragraph for clarity.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

f. Economics

1. Vessel info-Table 8 (p A 27). A comparison of the Old and New Generation vessels is not included in the table.

Response: See Table 8 below. The column titled "Old Legacy Vessels" lists the specifications and features of vessels built in the 1970s and 1980s, while the column titled "New Generation Deepwater Vessels" shows the specifications and features of vessels built more recently in the late 1990s to present.

	Old Legacy Vessels	New Generation Deepwater Vessels
AHTS		
Length (feet)	190' - 235'	220' - 295'
Brake Horsepower (BHP)	4,000 - 15,000	8,000 - 28,000
Winch Rating (tons)	80 - 300	250 - 600
Dynamic Positioning	No	Yes
Cost to Build ($ millions)	$5 - $8	$20 - $40
OSVs		
Length (feet)	180'	220' - 295'
Brake Horsepower (BHP)	1,800 - 3,900	3,000 - 7,200
Cargo Capacity (DWT)	800 - 1,200	1,800 - 5,000
Liquid Mud Capacity (bbls)	800 - 1,200	3,000 - 6,000
Bulk Capacity (cub. Ft.)	1,000 - 2,000	3,000 - 9,000
Station Keeping	Traditional, Single bow thruster	Joystick, multi-thruster
Dynamic Positioning	No	Yes
Cost to Build ($ millions)	$2.5 - $6	$15 - $30
Crewboats		
Length (feet)	110' - 150'	145' - 190'
Speed (knots)	15 - 20	20 -35
Cargo Capacity (DWT)	50 - 200	100 - 500
Dynamic Positioning	No	Yes
Cost to Build ($ millions)	$1.5 - $3	$2.5 - $6.5

OASA(CW)/HQUSACE Assessment: The comment is resolved.

2. Table 10 fleet mix – very few vessels seem to require -24 feet and possibly only 6 vessels exceed the current depth at Baptiste Collette. Please revisit the narrative to explain how the fleet mix would change in the future and what proportion of the fleet would require -24 feet.

Response: Table 10 is just a table that lists the existing fleet at the Venice Port Complex. A discussion on the future conditions of the vessel fleet can be found in Section 3.2. Furthermore, the benefits realized from the study are in terms of trips and not necessarily in terms of vessels. So, while there are only 6 vessels shown in Table 10 that would benefit, those benefits would increase with each trip through Baptiste Collette.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

g. Review Documentation

Review Documentation (Appendix F). Documentation of the review process needs to be re-written and re-organized.

1. Appendix F. The Appendix needs to look more like a Corps documentation of review findings where each round of comments shows the comment, the response, a discussion and resolution of the comment and if the comment it closed or if there is a disagreement about concurrence and therefore remains open or unresolved. If the comment is resolved by adding information to the report, the review documentation needs to state the exact location of the updated material in the report (section, page and paragraph).

Response: The report has gone through so many rounds of comments/responses and revisions that the appendix was ultimately formatted to include the summary of the comments and the final agreed to resolution for all of the reviews or to ASA original review. In addition, the 1st set of ASA comments will be added and the requested back and forth discussion will be included for these original comments and the subsequent comments. In addition, per MVN legal guidance, this appendix is being removed from the report and provided as a separate document.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

2. Table of Contents. The table of contents needs to show the time periods for each of the reviews listed.

Response: The date of the review period will be added to the table of contents for clarity. In addition, per MVN legal suggestion, Appendix F has been removed from the report. Review documentation is being submitted with the report as a separate document.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

3. Agency Technical Review (ATR). ATR comments are organized by report section, but subject/discipline labels are not included. This omission makes it difficult to sift through all the comments on a subject matter basis. Add subject matter labels to each grouping of comments.

Response: The section has been revised to include the discipline for each comment.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

B. Final Feasibility Report.

a. Environmental.

1. Finding of No Significant Impact. Main report, page 1. The 2nd to the last paragraph states - A draft Finding of No Significant Impact (FONSI) is included in Appendix B indicating that there are no significant impacts from implementation of the project. Therefore, an Environmental Impact Statement (EIS) is not required. The last sentence is a pre-decisional statement and should be deleted from the page. Deleting the sentence and replacing the page would be adequate and preferred to an errata sheet. This should be deleted before S&A review.

   Response: The referenced sentence has been deleted from the paragraph.

   OASA(CW)/HQUSACE Assessment: The comment is resolved by revisions made to the FONSI.

2. Floodplain Management. Main Report, page 176. Consistent with EO 11988, the key determination for compliance with the EO is "avoid to the extent possible the long and short-term adverse impacts associated with the occupancy and modification of flood plains and to avoid direct and indirect support of floodplain development wherever there is a practicable alternative." The statement on page 176 of "The proposed project does not in any way influence any existing flood plain management programs" is incomplete. Please update this section accordingly. This issue needs to be resolved before S&A review.

   Response: The following statement has been added to Section 8.14: "In addition, the proposed project has no foreseeable long or short term adverse impacts to floodplains and does not directly or indirectly support floodplain development."

   OASA(CW)/HQUSACE Assessment: The comment is resolved by the additional information contained in the Errata Sheet.

3. Hazardous Wildlife. Main Report, page 178. The statement says "While there are nine commercial heliport bases near Venice, which are owned and operated by industries supporting the oil and gas operations, the proposed project will not attract wildlife near these areas." This conclusion needs more justification considering the potential beneficial use of dredged material. Please expand on this to provide a clear rationale why the project will not attract wildlife near these

areas. If the justification is distance of 5 miles or more, clearly articulate that. If less than 5 miles, clarify if the heliport bases part of FAA's NPIAS system or not. If they are part of FAA's NPIAS and within 5 miles of the project, coordination with FAA is required before the ASA(CW)'s final determination. This issue needs to be resolved before S&A review.

Response: The following statement has been added to Section 8.19: "Furthermore, none of the heliports are certified by the FAA and are also not included in the latest FAA National Plan of Integrated Airport Systems (2017-2021) dated November 2015."

OASA(CW)/HQUSACE Assessment: The comment is resolved by the additional information contained in the Errata Sheet.

4. NHPA Consultation. Appendix B. As discussed with the New Orleans District and Corps HQ, in order for the ASA(CW) to sign off on the documentation that NHPA is complete, the Programmatic Agreement must be signed by all parties except for the Corps. Part of the intended purpose of the non-federal interest funding the Corps to conduct environmental coordination is for the Corps to coordinate the final review and signature of the NHPA. The ASA(CW) will sign the PA or designate an appropriate signatory at the time of signing the FONSI. NHPA consultation cannot be considered complete until those signatures are obtained. The Corps should provide the signed PA for final signature by ASA(CW).

   Response: Per follow-up discussions with USACE-MVN, the PA is not being signed and is only being submitted as a draft until it becomes a USACE project.

   OASA(CW)/HQUSACE Assessment: The comment is resolved

5. Section 404(b) (1) Evaluation. Appendix B. Please provide a word version of this report. A word version is needed in case there are minor changes needed based on OASA(CW) and Counsel review and depending on the ASA(CW)'s final decision on the signature authority.

   Response: A word version of the report will be included with the submittal.

   OASA(CW)/HQUSACE Assessment: The comment is resolved

6. Essential Fish Habitat. Appendix B. In the EA page 173 it states that NMFS concurred with the EFH determination as outlined in the EFH assessment in Appendix B via email and the email is included in Appendix G – Public review. For future reference, it is customary to keep the key correspondence for an environmental law together in one place. For example Appendix B keeps all correspondence related to ESA together. We were unable to locate the email in appendix G. Please provide it or the page number in the appendix.

Response: The email concurrence can be found in Appendix G on page G-12. Per USACE-MVN suggestion, the correspondence for all public review items (tribal consultation, environmental, etc.) are located in Appendix G.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

7. Draft FONSI. Please review the draft FONSI to make sure all environmental compliance activities identified in the EA as follow-up activities to occur in PED or prior to construction are included. Based on statement on page 122 and the response to comments in the Project Review Documentation, "core samples will be taken during Planning, Engineering and Design to verify that there are no adverse impacts from the oil spill." This and any similar environmental related action necessary to ensure that the impacts of the project are less than significant need to be incorporated as a condition in the FONSI.

   Response: Noted. The FONSI has been reviewed and the following items have been added:

   - During Planning, Engineering and Design (PED), core samples will be taken to verify that there are no adverse impacts from the Deepwater Horizon oil spill.
   - During PED, hydrologic surveys will be performed to verify dredging quantities.
   - During PED, pipeline locations and depths will be verified through field investigation and with pipeline owners as well as as perfrom a Compensability Determination to determine which pipeline relocations are eligible for payment.
   - During PED, review mineral leases to determine which mineral rights are already subordinate to the project purpose. Plaquemines Parish is responsible for working with the State and mineral lease holders to obtain mineral rights subordination as necessary.

   OASA(CW)/HQUSACE Assessment: The comments resolved.

8. Project Review Documentation. The Corps MVN submitted the coastal zone management consistency determination for the project and received a concurrence on 9/8/16 - the response to the comments from the 1) Combined ASA(CW) and HQUSACE review and 2) USACE legal review and public comments, should be corrected to note that this compliance is complete.

   Response: The responses have been updated to note that compliance is complete.

   OASA(CW)/HQUSACE Assessment: The comment is resolved.

b. Legal.

1. Items of local cooperation. While not specifically relevant to the depth of the specific project itself, the items of local cooperation in part 9.0, page 181 of the report do not reflect the recent amendment to navigation cost sharing made by Section 1111 of WRDA 2016. This can be corrected in subparagraph b. of item c. by replacing "not in excess of 45 feet" with "not in excess of 50 feet".

   Response: The report has been updated to include the referenced language.

   OASA(CW)/HQUSACE Assessment: The comment is resolved.

c. Economics.

1. Federal Discount Rate.
Concern: The Report uses the FY 16 discount rate of 3.125% and FY 16 (Oct 2015) price levels. Since the submittal was in FY 17, the appropriate discount rate is the FY 17 rate of 2.875% and the price level should reflect FY 17.

Basis of concern: Use of current price levels and discount rate for the recommended plan is the standard for reporting project information to the Administration and Congress; ER 1105-2-100 Appendix D Para D-3.d.(2); Economic Guidance Memorandum 17-01.

Significance of concern: Moderate. The comment will impact the economic analysis numbers but should not impact plan selection or justification.

Recommended solution: Update the recommended plan to the FY 17 price level and discount rate. An errata may be appropriate. Separately (informally), provide the project BCR at the 7% OMB rate.

Response: Since the comment was originally made, the FY 18 discount rate was released and is 2.75%. An errata sheet will be included with the report to update the recommended plan with the FY 18 discount rate of 2.75%. The updated cost of the recommended plan will be re-certified by Walla Walla. Separately, the BCR will be provided at the 7% OMB rate. The errata sheet will be generated during S&A review.

Updated Response: The FY 18 discount rate has been updated and incorporated in the errata sheet.

OASA(CW)/HQUSACE Assessment: The comment is resolved by the information contained within the Errata Sheet.

2. Interest During Construction.
Concern: The economic analysis did not include Interest During Construction (IDC). Reference Table 6-3 of Main Report.

Basis of concern: IDC is an important economic cost that must be accounted for in plan selection and justification; ER 1105-2-100 Appendix D Para D-3.e. (11).

Significance of concern: Moderate. The comment will impact the economic analysis numbers but should not impact plan selection or justification.

Recommended solution: Update the economic analysis to appropriately include IDC.

Response: After discussions with a senior economist at USACE-MVN, it was determined that Interest During Construction is not applicable since the project is expected to be constructed within one year.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

3. Cost Share.
Concern: The apportionment of costs in Table 6-15 is incorrect and includes numerous errors. These include:

A: Planning Engineering and Design and Construction Management cost categories are part of the General Navigation Features (GNF). They should be apportioned appropriately based on the depth zones and included in the 10% over time calculations. Also, footnote 28 needs to be revised accordingly.

B: Navigation Aids, while a Federal expense, are not included in the Project First Cost. These are U.S. Coast Guard costs and are not directly report for purposes of authorization. They should be included in the table at the bottom and noted that they are a 100% U.S. Coast Guard responsibility.

C: The Silt Controls feature is a project betterment that should not be included in the Project First Cost and directly reported for purposes of authorization. They should be included in the table at the bottom.

D: Relocation costs borne by the non-federal sponsor are eligible for LERR credit against the required 10% of GNF over time. Given the magnitude of the relocations, there is potential for the entire 10% to be offset. Please note that any LERR that exceeds the 10% over time is not eligible for sponsor credit.

E: It would be very useful to include a footnote in the table that provides the calculation of the 10% over time.

Basis of concern: ER 1105-2-100 Appendix E; Director of Civil Works Memorandum date 25 August 2011 SUBJECT: Corps of Engineers Civil Works Cost Definition and Applicability.

Significance of concern: Significant. The comment will affect the estimate of project cost sharing.

Recommended solution: Update the cost share to reflect the legal requirements as noted.

Response: Table 6-15 will be updated during State and Agency (S&A) review. An errata sheet will also be generated to incorporate the updated Federal Discount Rate. An updated table will also be included in the errata sheet.

OASA(CW)/HQUSACE Assessment: The comment is resolved pending back-check of the updated table.

Updated Response: See below for updates to Table 6-15. Footnotes have been updated accordingly.

Table 6-15: Apportionment of Costs for the Recommended Plan (millions of dollars)

Item	Federal	Nonfederal	Total
General Navigation Features (GNF)			
Dredging to 20'	$ 10.83	$ 1.20	$ 12.03
Dredging below 20'	$ 7.76	$ 2.59	$ 10.35
Planning, Engineering and Design[23a]	$ 1.89	$ 0.63	$ 2.52
Construction Management (S&A)[23a]	$ 1.79	$ 0.13	$ 1.92
Subtotal Construction of GNF	**$ 22.27**	**$ 4.55**	**$ 26.82**
Lands and Damages	$ -	$ 0.15	$ 0.15
Relocations	$ -	$ 12.11	$ 12.11
Total Project First Cost	**$ 22.27**	**$ 16.81**	**$ 39.08**
Local Service Facilities (Associated Costs)	$ -	$ 4.30	$ 4.30
Navigation Aids[23b]	$ 0.21	$ -	$ 0.21
Silt Control	$ -	$ 1.33	$ 1.33
203 Credit to non-Federal Sponsor[23]	$ 1.60	$ (1.60)	$ -

10% GNF Non-Federal[23c]	$ -	$ 2.68	$ 2.68
Credit for non-Federal LERR[23c]	$ -	$ (2.68)	$ (2.68)
Total Cost Allocation	**$ 24.08**	**$ 20.84**	**$ 44.92**
Percent of Total	**54%**	**46%**	**100%**

[23] Plaquemines Parish is requesting credit for the reconnaissance study ($100,000) and 50 percent of the cost of the feasibility phase ($1,500,000).

[23a] Non-Federal sponsor's share of dredging costs is 17%. This implies that the Non-Federal sponsor's share of PED & S&A is also 17%, but under a PED agreement, the sponsor will pay 25% during PED and get credited with the excess over 17% towards its share of construction.

[23b] Navigation Aids are the responsibility of the U.S. Coast Guard.

[23c] The Non-Federal sponsor shall pay an additional 10% of the cost of GNF over a period of 30 years, pursuant to Section 101 of WRDA 86. The interest rate shall be determined pursuant to Section 106 of WRDA 86. The value of LERR shall be credited toward the additional 10% payment, but shall not exceed 10% of the GNF. Total value of LERR is $12.26m.

OASA(CW)/HQUSACE Assessment: The comment is resolved by the additional information contained within the Errata Sheet.

4. Annual Benefits of the 22FT Alternative.

Concern: Table 21 of the economic appendix shows an approximately 56% increase in annual benefits to the existing fleet for the 22FT plan versus the 21FT plan (($11,186,779 - $7,158,270)/$7,158,270 = 0.5627). This is a parabolic jump in benefits for only an additional foot of depth. Further, the table shows that there is no increase in annual trips between the 12FT and 22FT plan; 3,624 Total Trips (One-Way) each. This raises concern as to the appropriateness of the benefits supporting the selection of the 22FT plan as the NED Plan. Further, since this increase in the existing fleet are the majority of the benefits that push the 22FT plan to a BCR greater than 1.0, this also raises questions about the economic validity.

Basis of concern: Insufficient evidence presented to support the conclusions.

Significance of concern: Significant. The comment could impact the selection and justification of the 22FT plan as the NED Plan.

Recommended solution: Provide evidence supporting the rationale for the parabolic jump in benefits to the existing fleet as presented or redo the analysis accordingly.

Response: The table had only shown the total number of outbound trips made by fully loaded vessels. The large increase in benefits is due to an increase in inbound trips made by larger, partially loaded vessels, that when fully loaded, draft too deep to use the channel. The table will be updated to reflect the total number of one-way trips from both inbound and outbound vessel. The table will be updated during S&A review.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

Updated Response: See below for updated Table 21

Table 21: Existing Fleet vs. Diverted Fleet Benefits

Design Vessel Draft (ft)	Channel Design Depth (ft)	Vessels	Total Trips (One-Way)	Base-Year Cost Savings			Average Annual Benefit	Percent of Avg. Annual Benefit
				Outbound Trip (Maximum Draft)	Inbound Trip (Partial Draft)	Total		
Existing Fleet								
11	15	1	27	$63,600	$594,493	$658,093	$557,977	100%
12	16	8	793	$1,478,766	$943,400	$2,422,166	$2,053,681	46%
13	17	8	793	$1,478,766	$943,400	$2,422,166	$2,053,681	46%
14	18	24	2320	$4,465,609	$943,400	$5,409,009	$4,586,134	59%
15	19	35	3563	$7,362,151	$943,400	$8,305,551	$7,042,024	67%
16	20	36	3624	$7,499,256	$943,400	$8,442,655	$7,158,270	67%
17	21	36	3624	$7,499,256	$943,400	$8,442,655	$7,158,270	67%
18	22	36	3624	$7,499,256	$5,694,731	$13,193,986	$11,186,779	72%
19	23	36	3624	$7,499,256	$5,694,731	$13,193,986	$11,186,779	72%
20	24	37	4055	$8,885,731	$6,798,120	$15,683,851	$13,297,860	75%
21	25	40	5101	$12,250,587	$6,798,120	$19,048,707	$16,150,819	79%
22	26	40	5101	$12,250,587	$7,714,532	$19,965,119	$16,927,817	79%
23	27	40	5101	$12,250,587	$7,714,532	$19,965,119	$16,927,817	79%
24	28	41	5491	$13,166,999	$7,714,532	$20,881,531	$17,704,815	80%
25	29	41	5491	$13,166,999	$7,714,532	$20,881,531	$17,704,815	79%
26	30	41	5491	$13,166,999	$7,714,532	$20,881,531	$17,704,815	74%
Diverted Fleet								
11	15	0	0	$0	$0	$0	$0	0%
12	16	5	431	$1,400,809	$1,400,809	$2,801,617	$2,375,406	54%
13	17	7	441	$1,435,447	$1,435,447	$2,870,893	$2,434,143	54%
14	18	10	535	$1,893,494	$1,893,494	$3,786,989	$3,210,873	41%
15	19	11	564	$2,038,526	$2,038,526	$4,077,051	$3,456,808	33%
16	20	11	564	$2,038,526	$2,038,526	$4,077,051	$3,456,808	33%
17	21	11	564	$2,038,526	$2,038,526	$4,077,051	$3,456,808	33%
18	22	13	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	28%
19	23	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	28%
20	24	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	25%
21	25	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	21%
22	26	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	21%
23	27	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	21%
24	28	14	748	$2,598,007	$2,598,007	$5,196,014	$4,405,542	20%
25	29	15	771	$2,713,054	$2,713,054	$5,426,109	$4,600,633	21%
26	30	15	771	$3,741,966	$3,741,966	$7,483,933	$6,345,399	26%

OASA(CW)/HQUSACE Assessment: The comment is resolved by the additional information contained within the Errata Sheet.

5. Economic Costs.

Concern: There is no information supporting the economic costs presented in Table 22 of the economic appendix and whether all costs are appropriately included.

Basis of concern: Insufficient evidence presented to support the conclusions. Reference ER 1105-2-100 Appendix D Section D-3.

Significance of concern: Minor to Moderate. Assuming no errors or omissions, this should be a documentation issue.

Recommended solution: Update the economic appendix to provide the appropriate information.

Response: The Average Annual Benefits in Table 22 was determined by taking the sum of the Average Annual Benefit of the Existing and Diverted Fleets from Table 21. Preliminary costs were developed to generate a preliminary benefit-cost ratio as discussed in Section 4.5 of the main report. Based on that analysis, the 18-foot, 20-foot, 21-foot, 22-foot and the 23-foot were selected for futher analysis, which led the team to identify the 22-foot depth as the Recommended Plan. The cost of the 22-foot project depth were then updated utilized the USACE Cost Engineering Dredge Estimated Program (CEDEP) for the operations and maintenance costs, and the Micro-Computer Aided Cost Estimating System (MCACES) to determine the construction cost. This cost was them compared to the preliminary cost for the 22-foot depth. The change in cost from the preliminary analysis to the detailed analysis for the 22-foot depth was the applied to each project depth to confirm the selection of the 22-foot depth as the Recommended Plan. Table 22 shows the results of the updated cost applied to each design depth.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

6. Sponsor Self Certification of Financial Capability.
Concern: The (past) Parish President signed the Sponsor Self Certification form. The appropriate party for signature should be the officer responsible for keep track of the financial obligations such as the Treasurer or Chief Financial Officer.

Basis of concern: The signatory should be the party holding the financial accounting duties for the non-federal sponsor.

Significance of concern: Minor.

Recommended solution: Provide a new Self Certification Form or acknowledge that the Parish President also holds the financial accounting responsibilities for the Parish.

Response: The Self Certification Form will be signed by the Parish Finance Manager and will be resubmitted with the report after S&A review.

OASA(CW)/HQUSACE Assessment: The comment is resolved. Self-Certification dated May 3, 2018, has been provided.

7. Incremental Widening Analysis.
Concern: The formulation narrative indicates that the recommended plan was optimized for project depth and width. An incremental analysis of the widening component of the recommended plan was not conducted. Instead, it was assumed that two-way traffic is justified. Two-way traffic is not a minimum requirement for USACE projects and must be incrementally justified as compared to deepening only.

Basis of concern: Reference ER 1105-2-100 Paragraph f.(4) and Paragraph 2-4.e.

Significance of concern: Significant. Calls into question the recommended plan widening component.

Recommended solution: Please provide additional discussion/explanation to justify the recommended project width. Was it only designed to support engineering requirements for the corresponding project depth? Conduct an incremental analysis and clearly demonstrate that the widening for two-way traffic is incrementally justified compared to deepening only with no widening. If the widening is not incrementally justified it must be removed from the NED Plan and taken out of the recommendation or a Locally Preferred Plan (LPP) must be approved by the ASA(CW) at 100% non-federal sponsor responsibility.

Response: Will be evaluated and addressed during S&A review.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

Updated Response: From ER 1105-2-100 Paragraph 2-4e - *Incremental Analysis. Incremental analysis is a process used in plan formulation to help identify plans that deserve further consideration in an efficient manner. The analysis consists of examining increments of plans or project features to determine their incremental costs and incremental benefits. Increments of plans continue to be added and evaluated as long as the incremental benefits exceed the incremental costs. When the incremental costs exceed the incremental benefits no further increments are added. For example, fifteen levees, each of a different height, could be designed to find the one with greatest net benefits. This is trial and error. An alternate approach is to start with a levee of low height, then add height in steps or increments (say one foot). For each increment of height the added (incremental) costs and added (incremental) benefits are estimated. As long as the incremental benefits exceed the incremental costs it makes sense to add the foot of height, because the extra foot adds more to benefits than to costs. When incremental costs exceed incremental benefits, no further increments of height are added. This process is more efficient than trial and error, and is thus used in formulating and evaluating most Corps projects*

An incremental analysis was completed for the selection of the best alternative. The project started with evaluating various routes to determine most beneficial and cost effective route. Once the route was selected, 16 simulations were evaluated considering various design depths and widths for both the canal and trench section compared to the baseline (existing) condition. These were then evaluated for various project alignments. The channel widths ranged from 175 ft to 300 ft some with varying depths. This analysis was utilized to determine the best alignment for the project. Once the alignment was selected, a more detailed cost benefit analysis was conducted for the same 16 simulations (combination width and depth) to determine which provided a positive B/C ratio and positive net benefits. This analysis identified 5 alternatives which were then further evaluated. Details of the analysis are discussed in Section 4 of the Main report, Appendix A, Economics, and Appendix C, Section 4.

From section 4.2.3.1 of report traffic management measures including one way traffic restrictions were evaluated during initial screening.

"One-way traffic restrictions, under-keel clearance restrictions, and traffic scheduling were carried forward as a nonstructural traffic management alternative for initial screening against the performance measures of increasing transportation cost savings and reducing damages to vessels and improving transportation safety. Although these measures might provide some contribution to reducing vessel damages and improving the safety of transit, they will not measurably contribute to transportation cost savings and would, in all likelihood, result in an increase in transportation costs as vessels alter behavior to comply with the requirements and restrictions implied by the traffic management measures."

OASA(CW)/HQUSACE Assessment: Response satisfies the concern. No further action required.

8. Project design/justification. The document mentions that Outbound vs. Inbound vessels have different channel depth requirements. Rather than a recommended plan with a single depth, is there any benefit to designing the channel according to the transportation needs?

Response: Varying the channel depths for inbound and outbound traffic would require a transition zone, which would increase the width of the channel beyond the current recommended width for a single depth with two-way traffic. The cost with increasing the width for a transition zone would be greater than the current plan.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

9. Local Service Facility Cost. The report is not clear on what actions/expenses comprise the expected cost attributed to Local Service Facilities ($4.3 million). What actions are needed to ensure project completeness? Even though this is a non-Federal expense/responsibility, additional explanation is needed. Provide a brief narrative that describes the general features/facilities/actions that will comprise this expense.

Response: Port improvements are outlined in Appendix A, Section 3.4 Port Expansions. Various projects include exploration of potential sites for port expansion, deepening existing channels, new channels, helipads, covered loading facilities, marshaling yards, dockside cranes, drilling mud and fluids, fuel tanks, overnight quarters and secure parking spaces, among other assets. A brief explanation will be added to the main report during S&A review.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

Updated Response: "Section 6.7.2.5 Local Service Facilities" was added to the report via the errata sheet.

Section 6.7.2.5 Local Service Facilities

In addition to the deepening of Baptiste Collette Bayou, the Venice Port Complex will also need to be further developed to accommodate the larger vessels and additional traffic. These improvements include exploration of potential sites for port expansion, deepening existing channels, dredging new channels, adding helipads, covered loading facilities, marshaling yards, dockside cranes, drilling mud and fluids, fuel tanks, overnight quarters and secure parking spaces, among other assists.

OASA(CW)/HQUSACE Assessment: The information contained within the Errata resolves the concern.

10. Minor and Editorial. Table 6-16 of the Main Report is labelled "Fully Funded Cost Estimate". The term fully funded means inflated through the midpoint of construction (See Cost Memo previously referenced). This table appears to just be a schedule of expenditures. The name should be changed accordingly.

Response: The title of the table has been changed to "Schedule of Expenditures."

OASA(CW)/HQUSACE Assessment: The comment is resolved.

d. Real estate.

1. Relocation of Utilities/Facilities Determination Caveat.
Concern: The REP, Appendix D (hereinafter REP), does not contain the required relocation of utilities/facilities determination caveat, found in ER 405-1-12, Chapter 12, 12-16 (page 12-17), viz: "ANY CONCLUSION OR CATEGORIZATION CONTAINED IN THIS REPORT THAT AN ITEM IS A UTILITY OR FACILITY RELOCATION TO BE PERFORMED BY THE NON-FEDERAL SPONSOR AS PART OF ITS LERRD RESPONSIBILITIES IS PRELIMINARY ONLY. THE GOVERNMENT WILL MAKE A FINAL DETERMINATION OF THE RELOCATIONS NECESSARY FOR THE CONSTRUCTION, OPERATION, OR MAINTENANCE OF THE PROJECT AFTER FURTHER ANALYSIS AND COMPLETION AND APPROVAL OF FINAL ATTORNEY'S

OPINIONS OF COMPENSABILITY FOR EACH OF THE IMPACTED UTILITIES AND FACILITIES." It is required that such be included and IN ALL CAPS.

Basis of the concern: See above.

Significance of the concern: High. Preliminary determinations or assumptions must be clearly labeled as such so as to avoid possible confusion, etc.

Recommendation solution: Adopt the language in CAPS.

Response: The above language has been included in the report.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

2. Costs Variance.
Concern: The main report and its appendices continue to vary as to certain costs. See, for example, as to cost of land acquisition: No land acquisition (4.3.3.3 of the main report and Tables 4.1, Table 6.1; No lands and damages cost: Table 6.2) vs. $150,000 in Lands and Damages and the potential acquisition of a perpetual pipeline easement (6.7.3 of the main report). And, the relocations cost of utilities and facilities is not included in the REP cost accounts (02 Account), but variously appears elsewhere as $12.11 million (Table 6.8) or as $18.2 million (Table 6.2) and Appendix C.

Basis of the concern: Concise, accurate costing is required by numerous Corps regulations, by law and by policy. See, for instance, the ERs on Costs and Real Estate.

Significance of the Concern: High.

Recommended solution: Correct costs in all places where they appear and be certain they agree. Include the 02 Relocations costs (pipeline relocations) in the Real Estate Plan.

Response: Section 4 (specifically 4.3.3) is a preliminary analysis of different alternative routes and does not include a detailed cost estimate. The first paragraph in Section 4.3.3 states that "While the numbers differ under more detailed analysis, they would not have impacted the outcome of the preliminary screening." The first paragraph in Section 4.3.3.3 also states, "These preliminary costs... do not consider relocations, land acquisition, or any potential ancillary costs associated with disposal operations." Once Baptiste Collette was chosen as the preferred route, different alignments and depths were evaluated. At this point in the study, the preliminary cost for pipeline relocations was estimated and a description of the costs can be found in Appendix C, Annexure C5, Attachment C%-A. These are the values shown in Table 6.2 ($18.2 million). Once the Recommended Plan was determined, a more detailed cost analysis was performed using Micro-Computer Aided Cost Estimating System (MCACES). Utilizing MCACES, a more detailed cost estimate of the pipeline relocations was determined to be $12.11 million. The backup for these costs can be found in Appendix C, Annexure C5,

Attachment C5-B. The RE cost of accounts will be revisited during the S&A review and adjusted as appropriate.

OASA(CW)/HQUSACE Assessment: The comment is resolved.

Updated Response: The updated RE Cost of Accounts has been updated and is included in the errata sheet.

OASA(CW)/HQUSACE Assessment: The information contained within the Errata resolves the concern.

3. Real Estate Schedule.
Concern: The proposed real estate schedule seems VERY optimistic.

Basis for the concern: It is possible that condemnation to acquire a perpetual pipeline easement may be necessary with one or more owners.

Significance of the concern: High.

Recommended solution: Revisit the schedule and reconsider whether it is realistic.

Response: This will be coordinated with USACE-MVN Real Estate office during S&A review.

OASA(CW)/HQUSACE Assessment: The comment is resolved through the coordination efforts.

4. State ROW Grant.
Concern: The REP refers to acquiring one or more "State ROW grants." Be advised that this would be a non-standard estate that would require HQ USACE approval when the particular estate is determined.

Basis of the Concern: ER 405-1-12, Chapter 12, Determining the Estate to Be Acquired

Significance of the concern: Low.

Recommended solution: This comment is in the nature of advice only.

Response: Noted.

OASA(CW)/HQUSACE Assessment: The comment is resolved.