



**DEPARTMENT OF THE ARMY**  
**OFFICE OF THE CHIEF OF ENGINEERS**  
**WASHINGTON, D.C. 20314-1000**

REPLY TO  
ATTENTION OF:

**29 DEC 2000**

CECW-PM (10-1-7a)

SUBJECT: Port Sutton Channel, Tampa Harbor, Hillsborough County, Florida

THE SECRETARY OF THE ARMY

1. I submit for transmission to Congress my report on the deep-draft navigation project at Port Sutton Channel, Tampa Harbor Project, Hillsborough County, Florida. It is accompanied by the report of the district and division engineers. Section 3(a)(4) of the Water Resources Development Act of 1988 (WRDA 1988), Public Law 100-676, a prior authorization for the Port Sutton Channel, provided that construction could not be initiated until the Secretary of the Army determined that the previously recommended project served more than one beneficiary. These reports are the result of preconstruction, engineering, and design studies conducted to reevaluate the previously authorized, but not constructed, navigation project.
2. The Water Resources Development Act of 2000 (WRDA 2000), Public Law 106-541, authorized modification of the Port Sutton Channel, Tampa Harbor, Florida, for navigation subject to completion of a favorable report of the Chief of Engineers not later than 31 December 2000 and subject to the conditions recommended in that final report. This constitutes the final report of the Chief of Engineers required by WRDA 2000. Section 101(b)(12) of that act included a project cost estimate of \$7,600,000, with a Federal cost of \$4,900,000 and a non-Federal cost of \$2,700,000. These cost estimates were preliminary values for only the general navigation features (GNF) and included a longer channel than found to be economically justified. The project and costs described in this report represent the project authorized for construction by WRDA 2000.
3. The reporting officers recommend a plan to modify the existing project for the Port Sutton Channel, Tampa Harbor, Florida. The plan involves deepening and widening 3,700 feet of the existing 34-foot-deep non-Federal channel from a bottom width of 200 feet to 290 feet and to a depth of 42 feet mean lower low water (MLLW), with an additional 2 feet of advance maintenance dredging in areas where rock is encountered, for safety and efficient maintenance. Also, the non-Federal sponsor must undertake associated project features consisting of berth area dredging, disposal facility costs for berth area dredged material, bank stabilization, and relocations needed for the berth areas and bank stabilization. Dredged material would be placed in the existing Port of Tampa CMDA-2D2 disposal area in the bay, approximately 1.25 miles south of the project area.

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The recommended plan is the national economic development plan. Because the Port Sutton Channel vicinity is highly industrialized, there are no mitigation costs associated with the recommended plan.

4. Project costs are allocated to the commercial navigation project purpose. The estimated first cost of the recommended plan based on October 2000 price levels is \$41,737,000, with an estimated Federal cost of \$4,811,000 (11.5 percent) and an estimated non-Federal cost of \$36,926,000 (88.5 percent). This cost includes \$7,402,000 for cost shared GNF and \$34,335,000 for the sponsor's associated costs. There are no lands, easements, rights-of-way, and relocations (LERR) needed for the cost shared GNF. The Federal share of the first cost of the GNF is estimated at \$4,811,000, and the non-Federal share of the first cost of the GNF is estimated at \$2,591,000. The non-Federal costs include 100 percent of the cost of the inner harbor improvements, including dredging of berthing areas; 10 percent of the cost of dredging to a depth of 20 feet and 25 percent of all other GNF costs, including the cost of design and construction; and an additional payment of 10 percent of the construction cost of the GNF, with interest, less credit for the value of any LERR, to be paid over a period not to exceed 30 years. The non-Federal sponsor is also responsible for the cost of removal of shoaled material from the existing Port Sutton Channel maintained by non-Federal interests at a depth of 34 feet below MLLW. Average annual benefits and costs, based on a discount rate of 6.625 percent and a 50-year period for economic analysis, are estimated at \$5,002,000 and \$3,074,000, respectively. The resulting benefit-to-cost ratio is 1.6 to 1.

5. Washington level review indicates that the proposed plan is technically sound, economically justified, and environmentally and socially acceptable and that it satisfies the stipulation in WRDA 1988 that the project benefits more than one terminal operator. The plan conforms to essential elements of the U.S. Water Resources Council's Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies and complies with other administration and legislative policies and guidelines. Also, the views of interested parties, including Federal, State, and local agencies, have been considered.

6. I concur in the findings, conclusions, and recommendation of the reporting officers. Therefore, I recommend that the existing authorized navigation project at Port Sutton Channel, Tampa Harbor, Florida, be modified in accordance with the reporting officers' recommended plan, with such modifications as in the discretion of the Chief of Engineers may be advisable. My recommendation is subject to cost sharing, financing, and other applicable requirements of Federal and State laws and policies, including the Water Resources Development Act of 1986, as amended, and in accordance with the following requirements which the non-Federal sponsor must agree to prior to project implementation:

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- a. Enter into an agreement which provides, prior to construction, 25 percent of design costs;
- b. Provide, during construction, any additional funds needed to cover the non-Federal share of design costs;
- c. For project costs allocated to commercial navigation, provide, during the period of construction, a cash contribution equal to 25 percent of the total cost of construction of the general navigation features;
- d. Pay with interest, over a period not to exceed 30 years following completion of the period of construction of the project, up to an additional 10 percent of the total cost of construction of general navigation features. The value of lands, easements, rights-of-way, and relocations provided by the non-Federal sponsor for the general navigation features, described below, may be credited toward this required payment. If the amount of credit exceeds 10 percent of the total cost of construction of the general navigation features, the non-Federal sponsor shall not be required to make any contribution under this paragraph, nor shall it be entitled to any refund for the value of lands, easements, rights-of-way, and relocations in excess of 10 percent of the total cost of construction of the general navigation features;
- e. Provide all lands, easements, and rights-of-way, and perform or ensure the performance of all relocations determined by the Federal Government to be necessary for the construction, operation, maintenance, repair, replacement, and rehabilitation of the project (including all lands, easements, and rights-of-way, and relocations necessary for dredged material disposal facilities);
- f. Provide, operate, maintain, repair, replace, and rehabilitate, at its own expense, the local service facilities in a manner compatible with the project's authorized purposes and in accordance with applicable Federal and State laws and regulations and any specific directions prescribed by the Federal Government;
- g. Accomplish all removals determined necessary by the Federal Government other than those removals specifically assigned to the Federal Government;
- h. Grant the Federal Government a right to enter, at reasonable times and in a reasonable manner, upon property that the non-Federal sponsor owns or controls for access to the general navigation features for the purpose of inspection, and, if necessary, for the purpose of operating, maintaining, repairing, replacing, and rehabilitating the general navigation features;
- i. Hold and save the United States free from all damages arising from the construction, operation, maintenance, repair, replacement, and rehabilitation of the

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project, any betterments, and the local service facilities, except for damages due to the fault or negligence of the United States or its contractors;

j. Keep and maintain books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to the project, for a minimum of 3 years after completion of the accounting for which such books, records, documents, and other evidence is required, to the extent and in such detail as will properly reflect total cost of construction of the general navigation features, and in accordance with the standards for financial management systems set forth in the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and local governments at 32 CFR, Section 33.20;

k. Perform, or cause to be performed, any investigations for hazardous substances as are determined necessary to identify the existence and extent of any hazardous substances regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. 9601-9675, that may exist in, on, or under lands, easements, or rights-of-way that the Federal Government determines to be necessary for the construction, operation, maintenance, repair, replacement, or rehabilitation of the general navigation features. However, for lands that the Government determines to be subject to the navigation servitude, only the Government shall perform such investigation unless the Federal Government provides the non-Federal sponsor with prior specific written direction, in which case the non-Federal sponsor shall perform such investigations in accordance with such written direction;

l. Assume complete financial responsibility, as between the Federal Government and the non-Federal sponsor, for all necessary cleanup and response costs of any CERCLA regulated materials located in, on, or under lands, easements, or rights-of-way that the Federal Government determines to be necessary for the construction, operation, maintenance, repair, replacement, and rehabilitation of the general navigation features;

m. To the maximum extent practicable, perform its obligations in a manner that will not cause liability to arise under CERCLA;

n. Comply with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987, and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way required for construction, operation, maintenance, repair, replacement, and rehabilitation of the general navigation features, and inform all affected persons of applicable benefits, policies, and procedures in connection with said act;

o. Comply with all applicable Federal and State laws and regulations including, but not limited to, Section 601 of the Civil Rights Act of 1964, Public Law 88-352 (42

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U.S.C. 2000d), and Department of Defense Directive 5500.11 issued pursuant thereto, as well as Army Regulation 600-7 entitled, "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army;"

p. Provide the non-Federal share of that portion of the costs of mitigation and data recovery activities associated with historic preservation, that are in excess of 1 percent of the total amount authorized to be appropriated for the project, in accordance with the cost sharing provisions of the agreement; and

q. Do not use Federal funds to meet the non-Federal sponsor's share of total project costs unless the Federal granting agency verifies in writing that the expenditure of such funds is expressly authorized by statute.



ROBERT B. FLOWERS  
Lieutenant General, U.S. Army  
Chief of Engineers