

1. Administrative Details

Proposal Name: Proposal for Legislative Changes Related to Navigation

by Agency: Port of Houston Authority of Harris County, Texas

Locations: TX

Date Submitted: 09/23/2015

Confirmation Number: b81eff-142a-4790-bc5b-19cc27a400a1

Supporting Documents

File Name	Date Uploaded
2015-09-23 LTR to USACE - Stockton - Mod to Projects.pdf	09/23/2015
2015 WRDA recom for navigation.pdf	09/23/2015

2. Provide the name of the primary sponsor and all non-Federal interests that have contributed or are expected to contribute toward the non-Federal share of the proposed feasibility study or modification.

Sponsor	Letter of Support
Port of Houston Authority of Harris County, Texas(Primary)	The Port of Houston Authority fully supports modifications to federal law that result in improvements to navigability of ports and channels, facilitate growth in trade, and increase national economic development benefits. The Port of Houston Authority intends to support its projects as required by law and understands the cost-sharing implications of the recommended changes to law. See attached letter of support.

3. State if this proposal is for a feasibility study, a modification to an authorized USACE feasibility study or a modification to an authorized USACE project. If it is a proposal for a modification, provide the authorized water resources development feasibility study or project name.

[x] Modification to an Authorized USACE Project : No Data

4. Clearly articulate the specific project purpose(s) of the proposed study or modification. Demonstrate that the proposal is related to USACE mission and authorities and specifically address why additional or new authorization is needed.

Enable the Corps to be able to perform navigation work to remedy urgent safety problems without restriction, using available funds. Renormalize cost sharing provisions established by WRDA 1986 and WRRDA 2014; enable funds collected to offset Corps costs for O&M improvements at projects to be retained at the district level and used for those same projects; and enable greater flexibility for non-federal sponsor performance of projects with reimbursement of federal share. Requested changes also provide more realistic designation of donor ports for possible HMTF revenue return and distribution at the port or harbor level.

5. To the extent practicable, provide an estimate of the total cost, and the Federal and non-Federal share of those costs, of the proposed study and, separately, an estimate of the cost of construction or modification.

	Federal	Non-Federal	Total
Study	\$0	\$0	\$0
Construction	\$0	\$0	\$0

Explanation (if necessary)

Cost of initiatives varies. a. Any measure to correct identified design deficiencies that result in unsafe navigation conditions must be conducted as a risk reduction/life safety requirement, and should not be subject to economic analysis; further, such safety improvements must be accomplished without limitation or restriction of cost ceilings for authorized projects.

b. Raising the 50/50 cost share has the potential to increase federal project cost, but maintains the same relative burden for the maritime community as existed when the cost share requirements were introduced.

c. Donor Port definition—a port which receives O&M funding at a level which is \$50,000,000 or more less is unmistakably a “donor” port.

d. Direct user fees are used on local projects—no cost increase. e. Delegation of authority – no cost increase.

f. (and f) Authority for performance of work, with reimbursement of the federal cost – no cost increase. g. Granting approval authority for 408 permits to the level which grants Section 10 permits – no cost increase.

6. To the extent practicable, describe the anticipated monetary and nonmonetary benefits of the proposal including benefits to the protection of human life and property; improvement to transportation; the national economy; the environment; or the national security interests of the United States.

Description of Anticipated Benefits, by request:

- a. Authorization to perform necessary or emergency safety improvements to channels without delays that could result from pending project budgets will significantly reduce the risk of collisions and allisions, which could result in loss of live and environmental impacts from spills, or disruption of commerce from channel closures.
- b. Extending the 50/50 cost share threshold from 45' to 50' for new work is consistent with WRRDA 2014's threshold modification for O&M costs to the similar 50' depth. This modification does not impact the benefit cost ratio, but better enables non-federal interests to pay for complementary and necessary industrial and transportation infrastructure that remains the non-federal interest's responsibility.
- c. Provide for a more equitable distribution of excess HMTF revenues to the strongest donor ports and industries.
- d. This request proposes to update and improve legislation to reflect the significant changes in maritime transportation operations (including increasing size of vessels); changes will facilitate modernization of infrastructure and keep America internationally competitive.
- e. The changes streamline administration of placement area use by delegating to the District Commander decisions related to and the authority to collect fees and apply funds received for O&M purposes to the general navigation feature impacted.
- f. (and f) Provides for greater responsiveness to urgent requirements for O&M of navigation features by enabling qualified non-federal interests to contract for requirements with an opportunity for partial reimbursement.
- h. Including approval authority for permits regarding Sections 10 and 14 of RHA 1899 and allowing for concurrent permit decisions at the district level will streamline administration and accelerating processing times for permits and permissions and reduce both federal and non-federal costs.

7. Does local support exist? If ‘Yes’, describe the local support for the proposal.

Yes

Local Support Description

This request is expected to have strong support by the port community and maritime industry. These issues affect other deep draft ports in Texas and the US.

Description of Requests. The following are requested changes to law with regard to navigation projects. Requests include those developed by the AAPA-Corps Quality Partnership Initiative.

a. Amend Section 902 WRDA 1986 by adding the following: “(c) CERTAIN CHANNELS.—The Secretary may make modifications to deep-draft, high-commercial-use channels, including bends and entrances, necessary to ensure safe navigation and efficient operations with respect to those channels without regard to any other provision of this section.”. b. Revise the 50/50 cost-share percentage threshold for new work construction from a depth of 45’ to 50’. (101 (a) (C), WRDA 86) c. Include as part of the “donor” port definition language to include ports which contribute (or “donate”) \$50,000,000 in HMTF receipts in excess of O&M funding received. (2106 (a)(2)(C), WRRDA 14) d. Direct or reaffirm that user fees collected for non-federal use of federal disposal facilities shall be retained by the Corps District for use on subsequent O&M projects. (Section 217). e. Allow the ASACW to delegate to the District the authority to receive funds for non-federal use of federal placement areas, when such use does restrict use of placement areas for federal use, and material to be placed is determined to be suitable and acceptable for placement. (Section 217) f. Authorize a non-federal interest, at its request, to assume responsibility for O&M of placement areas for work in accordance with Federal standards, on a reimbursable basis. g. Authorize a non-federal interest, at its request, to perform O&M of authorized navigation projects and be eligible for reimbursement of the federal share of the cost subject to appropriations. h. For navigation projects, delegate approval authority to the District for Section 408 to facilitate permitting

8. Does the primary sponsor named in (2.) above have the financial ability to provide for the required cost share?

Yes

Primary Sponsor Letter of Support

(As uploaded)

2015-09-23 LTR to USACE - Stockton - Mod to Projects.pdf

Port of Houston Authority

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portofhouston.com

Roger Guenther, Executive Director
rguenther@poha.com

September 23, 2015

Mr. Steven L. Stockton, SES
Director of Civil Works
Headquarters, U.S. Army Corps of Engineers
441 G Street NW
Washington, D.C. 20314

Subject: Letter of Support for Proposals for Modifications to Projects for Inclusion in the
Annual Report to Congress on Future Water Resources Development

Dear Mr. Stockton:

The Port of Houston Authority supports the work of the Corps of Engineers to develop, operate, and maintain navigation projects. The correction of navigation safety deficiencies on a completed project as critical to the Nation's economy as the Houston Ship Channel warrants immediate attention and resolution, without regard to routine administration. Furthermore, the authorization of projects which have long been maintained by the Corps at the direction of Congress is a necessary action that provides flexibility to the Corps for operation and maintenance of the projects, and is in the best interest of the United States.

Finally, the Port Authority fully supports revisions to federal law which result in improvements to navigability of ports and channels, facilitate growth in trade, and increase national economic development benefits.

The Port of Houston Authority intends to support its projects as required by law and understands the cost-sharing implications of the recommended project authorizations and changes to law submitted in accordance with Section 7001 of WRRDA 2014.

Sincerely,



Roger D. Guenther
Executive Director



Additional Proposal Information

(This is as uploaded, a blank page will show if nothing was submitted)

2015 WRDA recom for navigation.pdf

Subject: Legislative Changes Related to Navigation

1. Non-Federal Sponsor. Port of Houston Authority of Harris County, Texas
2. Description of Requests. The following are requested changes to law with regard to navigation projects. Requested changes include those developed by the AAPA-Corps Quality Partnership Initiative committee.
 - a. Amend Section 902 of the Water Resources Development Act of 1986 (33 U.S.C. 2280) by adding at the end the following:

“(c) CERTAIN CHANNELS.—The Secretary may make modifications to deep-draft, high-commercial-use channels, including bends and entrances, necessary to ensure safe navigation and efficient operations with respect to those channels without regard to any other provision of this section.”.
 - b. Revise the 50/50 cost-share percentage threshold for new work construction from a depth of 45’ to 50’. (Section 101 (a) (C) of the WRDA of 1986)
 - c. Include as part of the “donor” port definition language to include ports which contribute (or “donate”) \$50,000,000 in HMTF receipts in excess of O&M funding received. (Section 2106 (a)(2)(C) of the WRRDA of 2014)
 - d. Direct or reaffirm that user fees collected for non-federal use of federal disposal facilities shall be retained by the Corps District for use on subsequent O&M projects. (Section 217 of the WRDA of 1996).
 - e. Allow the Assistant Secretary of the Army for Civil Works to delegate to the District Engineer the authority to receive funds for non-federal use of federal placement areas, when such use does restrict use of placement areas for federal use, material to be placed is determined to be suitable and acceptable for placement. (Section 217 of the WRDA of 1996)
 - f. Authorize a non-federal interest, at its request, to assume responsibility for O&M of placement areas for work in accordance with Federal standards, on a reimbursable basis.
 - g. Authorize a non-federal interest, at its request, to perform O&M of authorized navigation projects and be eligible for reimbursement of the federal share of the cost subject to appropriations.
 - h. For navigation projects, delegate approval authority to the District Engineer for Section 408 (33 U.S.C. 408) modifications to federal projects, to enable concurrent approval with Section 10 (33 U.S.C. 403) determinations and to facilitate the issuance of permits.
3. Purpose. Enable the Corps to be able to perform navigation work to remedy urgent safety problems without restriction, using available funds. Renormalize cost sharing provisions established by WRDA 1986 and WRRDA 2014; enable funds collected to offset Corps costs for O&M improvements at projects to be retained at the district level and used for those same projects; and enable greater flexibility for non-federal sponsor performance of projects with reimbursement of federal share. Requested changes also provide more realistic designation of donor ports for possible HMTF revenue return and distribution at the port or harbor level.

4. Estimates of Cost. Cost of initiatives varies.
 - a. Any measure to correct identified design deficiencies that result in unsafe navigation conditions must be conducted as a risk reduction/life safety requirement, and should not be subject to economic analysis; further, such safety improvements must be accomplished without limitation or restriction of cost ceilings for authorized projects.
 - b. Raising the 50/50 cost share has the potential to increase federal project cost, but maintains the same relative burden for the maritime community as existed when the cost share requirements were introduced.
 - c. Donor Port definition—a port which receives O&M funding at a level which is \$50,000,000 or more less is unmistakably a “donor” port.
 - d. Direct user fees are used on local projects—no cost increase.
 - e. Delegation of authority – no cost increase.
 - f. (and f) Authority for performance of work, with reimbursement of the federal cost – no cost increase.
 - g. Granting approval authority for 408 permits to the level which grants Section 10 permits – no cost increase.

5. Description of Anticipated Benefits, by request:
 - a. Authorization to perform necessary or emergency safety improvements to channels without delays that could result from pending project budgets will significantly reduce the risk of collisions and allisions, which could result in loss of life and environmental impacts from spills, or disruption of commerce from channel closures.
 - b. Extending the 50/50 cost share threshold from 45’ to 50’ for new work is consistent with WRRDA 2014’s threshold modification for O&M costs to the similar 50’ depth. This modification does not impact the benefit cost ratio, but better enables non-federal interests to pay for complementary and necessary industrial and transportation infrastructure that remains the non-federal interest’s responsibility.
 - c. Provide for a more equitable distribution of excess HMTF revenues to the strongest donor ports and industries.
 - d. This request proposes to update and improve legislation to reflect the significant changes in maritime transportation operations (including increasing size of vessels); changes will facilitate modernization of infrastructure and keep America internationally competitive.
 - e. The changes streamline administration of placement area use by delegating to the District Commander decisions related to and the authority to collect fees and apply funds received for O&M purposes to the general navigation feature impacted.
 - f. (and f) Provides for greater responsiveness to urgent requirements for O&M of navigation features by enabling qualified non-federal interests to contract for requirements with an opportunity for partial reimbursement.
 - h. Including approval authority for permits regarding Sections 10 and 14 of RHA 1899 and allowing for concurrent permit decisions at the district level will streamline administration and accelerating processing times for permits and permissions and reduce both federal and non-federal costs.

6. Description of Local Support. This request is expected to have strong support by navigation districts, port authority community, and maritime industry.
7. NFS Statement of Financial Capability. The Port of Houston Authority is the non-federal sponsor of the Houston Ship Channel (part of the Houston-Galveston Navigation Channels project) and its tributary channels, and has the financial capability for continued support of the waterways as described by the existing project agreements for each channel and the Project Cooperation Agreement for the Houston-Galveston Navigation Channels project.
8. Statement of Support. The Port of Houston Authority fully supports modifications to federal law that result in improvements to navigability of ports and channels, facilitate growth in trade, and increase national economic development benefits. The Port of Houston Authority intends to support its projects as required by law and understands the cost-sharing implications of the recommended changes to law. See attached letter of support.