

Channels

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Finding the money

How we can meet the Bay dredging challenge

**By Robert Cheasty, President,
Bay Dredging Action Coalition**

The clock is ticking. Unless we successfully address the disposal of material dredged from San Francisco Bay, we will lose much of our maritime industry and the jobs that go with it. Once shippers have invested in new facilities elsewhere, they won't be back.

Port of Oakland channels must be dredged to 50 feet to handle modern shipping. Other Bay Area ports, terminals and marinas have equally pressing needs. Overall, we need to dispose of some 50 million cubic yards of dredged material over the next half-century.

The good news is that much of this dredged material can be treated as an environmental resource, rather than just as a headache. Clean mud—and over 90% of the material coming out

of the Bay is EPA-certified clean—can be used to recreate wetlands, reinforce levees and otherwise enhance the aquatic ecosystem. The small amount of unsuitable material can be dried out, processed and used in

construction and other projects.

Port of Oakland mud has been used successfully to restore wetlands at the Sonoma Baylands restoration project. The Port now proposes to use dredged material from the



Aerial photo of Port of Oakland shows Middle Harbor—with two finger piers—where dredged material could be used create shallow water habitat.

50' project to re-create lost shallow-water habitat in the Middle Harbor Channel. Hamilton Air Base, now abandoned, is another promising site for wetlands restoration—as are other sites around the Bay and in the Delta.

Costs skyrocket, however, because such projects require hauling barges to distant disposal sites, setting up pipelines, or trucking dredged material.

In the past nearly all dredged mud was disposed of in the Bay for a very reasonable \$3 per cubic yard with no thought given to beneficial re-use.

However, such in-bay disposal has been sharply limited by

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Disposal sites targeted for Oakland's 50' project

As Oakland's 42' project winds down, the Port's project to dredge to 50'—requiring disposal of another 20 million cubic yards—is picking up steam. The Port has spearheaded a fast-track plan to complete the EIS-EIR with a preferred disposal plan in place by May 1, 1998.

The Port is prepared to use most of this material on its own property to create approximately 155 acres of habitat with public access.

Ten million cubic yards would be used in the Middle Harbor to create a shallow-water habitat area for lesser terms who nest at the newly-created wildlife sanctuary at the abandoned Alameda Naval Air Station.

Some of the material may be able to be used on the Naval Air Station where the County Reuse Authority is considering construct-

ing a golf course.

For the balance of the material, the Port is considering participation in a wetlands restoration project at Hamilton Airfield, initiated by the State Coastal Conservancy. "This would be a tremendously exciting

project, with great environmental benefit," said Jim McGrath, the Port's Environmental Director.

Congressional funding for initial studies by the Corps of Engineers at the Hamilton site is currently working its way through

committee, steered by Rep. Ron Dellums.

Deep ocean disposal, of course, remains a viable option for suitable material, McGrath said, "but it's extraordinarily expensive for the Port. We would greatly prefer to see the material used for another wetlands project, or other beneficial re-use."

"Unless [The Port of Oakland] can deepen its channels, provide competing rail service and reconfigure its terminals... its volume will continue to slip away.

"We are at a crossroads," said Leo Brien, Oakland's Maritime Director. "We have an incredibly bright future if we can meet these challenges.

--Journal of Commerce, May 14, 1997

Former East Bay mayor elected to lead BDAC

Robert Cheasty, ex-Mayor of Albany, attorney, and longtime community activist, has been unanimously elected President of the Bay Dredging Action Coalition (BDAC).

"Bob has broad experience in dealing with the public and the regulatory agencies," said BDAC chairman Jim Herman, retired president of the ILWU.

"He is committed to a balanced program of economic development and environmental protection. He has credibility with both labor and business."

WRDA '96 a big step in the right direction

The good news is that late last year Congress adopted a new policy to make creation of upland dredged material disposal sites eligible for a 75% federal cost share. In the past, the cost-share formula has only applied to aquatic disposal.

The new policy was attached to the Water Resources and Development Act (WRDA '96) which appropriates funds for harbor improvement projects, including dredging.

WHERE'S THE MONEY

The bad news is that Congress failed to take the Harbor Maintenance Trust Fund -- the most likely source of federal funds-off-budget. This means that all projects must still go through the nightmarish federal budget process.

"It's an important step forward," said BDAC Secretary Ellen Johnck who, along with the American Association of Port Authorities and other groups, worked for passage of the bill. "How things will play out in the Congressional authorization process for specific projects is an open question."



Breaking dyke to allow Bay waters into Sonoma Baylands, from left, USCOE District Engineer Col. Richard Thompson, State Sen. Barbara Lee, Rep. Lynn Woolsey (D-Marin) and White House environmental advisor Katy McGinty

Business plan for upland sites

Study seeks market for dredged bay mud

With a grant from the state Coastal Conservancy, the Port of Oakland will soon begin a feasibility study for developing a re-handling facility for dredged materials.

Is there a market for dredged material, for example, in the construction industry? Are there investors who think there's money to be made in receiving, drying, and shipping dredged material?

A positive answer, according to Port consultant Laurel Marcus would take us a long way toward resolving long-standing issues.

"RE-HANDLING FACILITY"

In the absence of a regional "re-handling facility—where dredged materials can be processed and then trucked to their ultimate destination—plans for beneficial re-use of dredged material are largely academic according to Marcus.

"Each dredger has to arrange for its own upland disposal. That means that they often spend a lot of money to dispose of small amounts of material. Or they must leave some of it in place—especially material which cannot meet standards for aquatic disposal. They can't dredge, and often that means they can't use the facility.

"A regional re-handling facility would allow large and small dredgers to dispose of their materials, and benefit the environment as well."

The LTMS studied many possible sites for a facility, evaluated how the material could be re-handled, possible uses—such landfill cap and cover, construction fill and level materials in the bay and the delta.

"Now it's time to test the concept of re-use in the market place."

This feasibility study will explore the market for dredged material, as well as environmental issues, liability, regulations, design, sources of capital and other issues. This will lead, after a year, to the selection of a site, and the creation of a business plan.

VIABLE BUSINESS?

"The only re-handling which has occurred so far has occurred when dredgers pay landfills to accept the dried mud, or when government bodies subsidize levee improvement. What we are trying to do here is to take a market-based approach to re-handling and turn the re-use of dredged material into a viable business

The Port's consultant team, headed by Marcus, includes Gahagen and Bryant Engineering, Entrix Environmental Consultants, attorney Alan Waltner and other specialists. BDAC will also play a role in the study, assisting in market outreach and implementation strategy.

The project gets underway in July.

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Technical Advisor, Jim McGrath, Port of Oakland.

Cooperation needed to meet dredging goals

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environmental concerns. In response, regulatory agencies have pushed the industry toward alternative and very much more expensive disposal sites.

Disposal at Hamilton, for example, will cost an estimated \$15 per cubic yard. Disposal at a currently available deep-ocean site, which provides no environmental benefits, runs \$12 to \$18 per cubic yard. Disposal at even more distant upland sites, involving multiple handling and overland transportation, can cost \$28 per cubic yard or more. These prices place "beneficial re-use" of dredged material out of reach for the largest ports as well as small marinas.

REMAINING COMPETITIVE

The trick is to find the money. We do not expect the federal and state governments to subsidize all of these new costs. But to expect ports and shippers to carry the entire load would threaten the survival of all aspects of the maritime industry in the Bay area.

Congress has agreed that beneficial disposal is an appropriate use of federal funds. All that is necessary is to fund the establishment of sites where suitable dredged material can be used, and where unsuitable material can be dried out, processed, and distributed. We need to apportion disposal costs so that this region can be competitive.

This process, however, will take some time. With all the dredging that remains before us, we cannot close down environmentally acceptable open-water disposal options, including the Bay, while we search for alternatives and bring them on line.

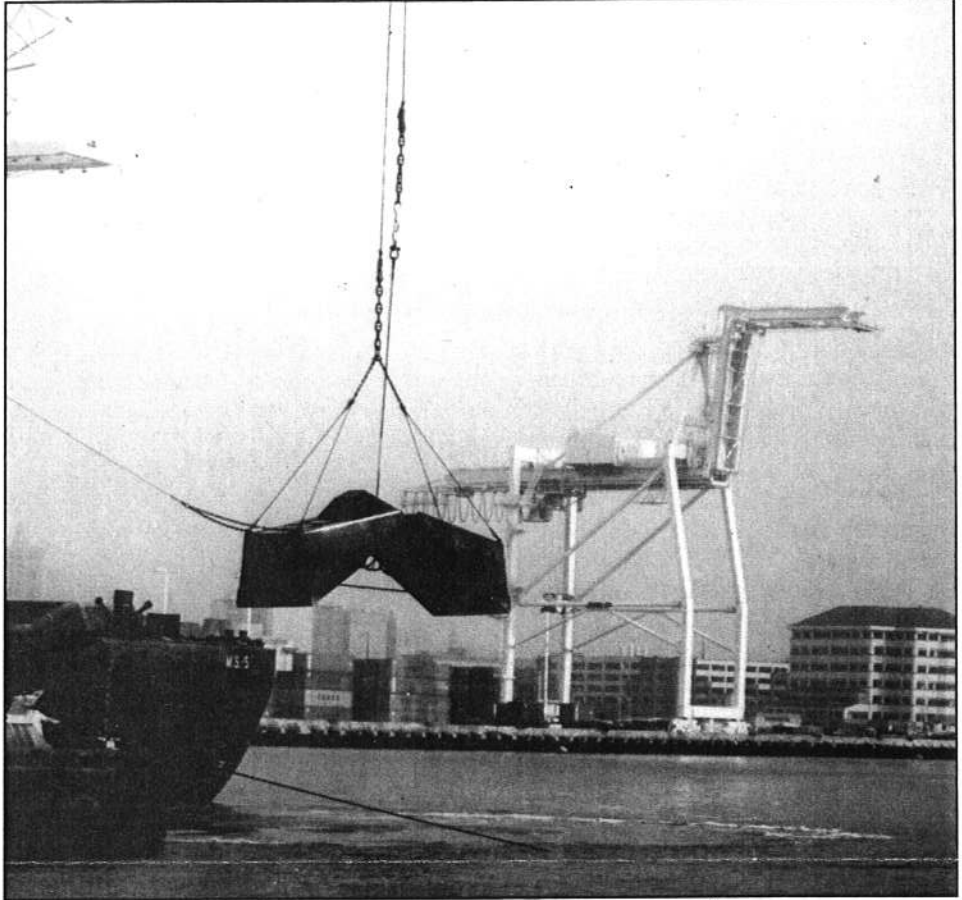
The Corps of Engineers and the regulatory agencies—through the Long Term

42' project progress report

As this issue of *Channels* goes to press, the Port of Oakland 42' project is on a schedule for completion in the spring of 1998.

"We experienced a series of delays due to a number of surprises" according to Executive Director Chuck Foster, "but we managed to make up at least some of the lost time." The original completion date was April, 1997.

Delay was caused by contractor issues, excess debris in the channels, and shut-down of the Galbraith disposal site because of what the Regional Water Quality Control Board considered excess turbidity.



Management Strategy (LTMS) program— have proposed a solution: 40% of San

'The trick is to find the money. We cannot expect government to subsidize all these new costs. But to expect ports and shippers' to carry the entire load would threaten the survival of the Bay Area maritime industry.'

Francisco Bay's mud is to go to the ocean, 40% to upland disposal sites and 20% to the Bay. The 40-40-20 formula is a good faith attempt to address the dredging issue but it does not resolve a number of serious problems.

For example, there are currently no sites on line in which to dispose of the 40% of the Bay's dredged sediments slated for upland disposal. Hamilton, for example, is more than two years away. The Montezuma site has not yet received the necessary permits. In addition, significant funding problems remain to be solved. We must therefore remain flexible as we continue to seek solutions, rather than locking ourselves in to formulas that may not actually work in practice.

We can resolve the Bay Area's dredging

problem, restore lost wetlands and find the money we need to make it all work. We've done it before, with a coalition of all those who care about the Bay and the environment, jobs, and a healthy maritime industry. Five years ago, our political and community leaders, labor and business and environmentalists joined in

a coalition to make the Oakland 42' project happen. We have the chance now to act again to protect the complex ecology of the Bay, the maritime industry and the tremendous economic benefits it provides.

In memory of

Leo Brien
Maritime Director,
Port of Oakland
Founding member of BDAC

June 23, 1997

Dredging truce in NY Harbor

A recent break in the stalemate blocking Port of New York/New Jersey dredging projects has raised hopes for a comprehensive resolution of dredging/environmental issues

Federal and state officials have blessed a one-time-only plan to dispose of the harbor mud at an ocean site off the New Jersey coast. The site is scheduled to close in September, 1997.

Sediments not suitable for ocean disposal will be used to build a new shopping center in Elizabeth, NJ.

This amounts to a temporary truce in a war which has nearly paralyzed dredging in New York Harbor since 1994 when most of the harbor's mud failed to meet new environmental standards, threatening the 180,000 jobs related directly to Port activity.

LONG TERM GOALS

Longer term, the federal agencies have agreed to expedite dredging permits. A new federal advisory committee will review the science underlying current regulations governing sediment quality. The agencies will assist in developing a long-term dredging and disposal plan for East Coast ports, expedite a 50' feasibility study for the Port of New York/New Jersey, and support federal cost sharing for upland disposal.

"There's a growing understanding at all levels of the federal government that they've got to work with all the concerned parties to approach dredging as an economic as well as environmental issue," said BDAC secretary Ellen Johnck.

National Dredging Team meets

The effort to create consistent dredging and disposal policies continued last month as the National Dredging Team-- pulled

together by the Department of Transportation in 1994-- convened to hear regional reports, and to discuss the role of the federal government in this process.

Participants include the Maritime Administration, EPA, the Corps of Engineers, the National Marine Fisheries Service, and the Fish and Wildlife Service.

Johnck represented the Bay Planning Coalition and the Bay Dredging Action Coalition at the June 18-19 meeting of the National and Regional Dredging Teams.

One-stop permit shop

A new one-stop shop to cut red tape for dredging projects in San Francisco Bay is demonstrating encouraging results while ensuring environmental protection.

A recent review by agencies participating in the "Dredged Material Management Office" (DMMO) found that the program processed over 60 permits in its first 18 months.

AGENCIES WORK TOGETHER

Applicants using the DMMO process fill out one application instead of four, as in the past. The five agencies participating in the DMMO review the applications jointly at bi-weekly meetings. Participating agencies include the San Francisco Bay Conservation and Development Commission (BCDC), the SF Bay Regional Water Quality Control Board, the State Lands Commission, the US Army Corps of Engineers and the US Environmental Protection Agency

"The DMMO is a good example of what can be achieved through cooperation," said Loretta Barsamian, Executive Officer of the Regional Water Board. "It shows why the Bay Area is in the forefront of moving from traditional regulatory approaches to a more cooperative model."

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