# **BAY PLANNING COALITION**



303 WORLD TRADE CENTER • SAN FRANCISCO, CALIFORNIA 94111 (415) 397-2293 FAX (415) 986-0694 E-MAIL - ejohnok@emf.net

#### OFFICERS

DON WARREN, CHAIRMAN REDWOOD SHORES PROPERTIES

DAVID W. JEFFERSON, VICE CHAIRMAN BURDELL PROPERTIES

STEVEN R. MEYERS, SECRETARY MEYERS, NAVE, RIBACK, SILVER & WILSON

RAYMOND THINGGAARD, TREASURER THINGGAARD LAND CONSULTING

### BOARD OF DIRECTORS

BERT C. BANGSBERG CONSULTANT

DAVID M. BERNARDI CITY OF SAN RAFAEL

DENNIS P. BOUEY PORT OF SAN FRANCISCO

JOHN BRISCOE WASHBURN, BRISCOE & McCARTHY

PAUL B. CAMPOS BUILDING INDUSTRY ASSOCIATION OF NORTHERN CALIFORNIA

MICHAEL CHENEY CONSULTANT

EMMETT S. CLIFFORD CONSULTANT

A<sup>1</sup> P. da SILVA VALLEJO

F. .CK R. FERRIN PU... OF OAKLAND

ROBERTA GOULART CONTRA COSTA COUNTY

D. CARL HANSON SAN FRANCISCO DRYDOCK, Inc.

DAN HUSSIN GREAT LAKES DREDGE & DOCK, Inc.

JEFFREY JOHNSON ELLMAN, BURKE, HOFFMAN & JOHNSON

BRUCE L. KERN ALAMEDA COUNTY

JIM LEVINE LEVINE FRICKE, Inc.

BARRY LUBOVISKI BUILDING & CONSTRUCTION TRADES COUNCIL OF ALAMEDA COUNTY

CHARLES L. ORMAN CHEVRON U.S.A. PRODUCTS COMPANY

P. B. PLANT BENICIA INDUSTRIES

MICHAEL POWERS PORT OF RICHMOND

PAUL P. SHEPHERD CARGILL SALT

WAYNE SUTHERLAND THE DUTRA GROUP

MIC<sup>LINC</sup>L B. WILMAR AN, GUTHNER, KNOX & ELLIOTT

<u>S.</u>

EXECUTIVE DIRECTOR ELLEN JOHNCK

ADMINISTRATIVE ASSISTANT JENNIFER M. O'KEEFFE July 16, 1996

Ms. Karen Mason, Coordinator LTMS Draft EIS-EIR Environmental Protection Agency 75 Hawthorne San Francisco, CA 94111

### **Re: Written Comments on the LTMS**

Dear Ms. Mason:

Our organization and sister organizations such as the Golden Gate Ports Association, the Bay Dredging Action Coalition and California Marine Affiars and Navigation Conference have convened several meetings with our members, who cover a board cross-section of the maritime industry and related shoreline business in the Bay, over the last month to discuss issues related to the Draft EIS-EIR.

1

Based on these meetings, BPC and the above mentioned groups are now in the midst of preparing extensive comments on the policy alternatives and their economic and environmental impacts. To register with the July 19, 1996 due date, this letter is to inform you that these documents are forthcoming, and that our written comments will be submitted within two weeks. We understand that the spirit of NEPA pertaining to the Draft EIS-EIR is to accept all comments and to provide the opportunity for full public discussion.

Thank you for your consideration.

Sincerely yours,

Ellen Johndk Executive Director

cc: Lex Krygsman, Chairman, GGPA Jimmy Herman, Chairman, BDAC Jerry Pope, Chairman, C-MANC

## Responses to BPC — Bay Planning Coalition, letter dated July 16, 1996

1. Comment noted.

# **BAY PLANNING COALITION**

BD

303 WORLD TRADE CENTER • SAN FRANCISCO, CALIFORNIA 94111 (415) 397-2293 FAX (415) 986-0694 E-MAIL - ejohnck@emf.net

#### L JERS

DON WARREN, CHAIRMAN REDWOOD SHORES PROPERTIES

DAVID W. JEFFERSON, VICE CHAIRMAN BURDELL PROPERTIES

STEVEN R. MEYERS, SECRETARY MEYERS, NAVE, RIBACK, SILVER & WILSON

RAYMOND THINGGAARD, TREASURER THINGGAARD LAND CONSULTING

### BOARD OF DIRECTORS

BERT C. BANGSBERG CONSULTANT

DAVID M. BERNARDI CITY OF SAN RAFAEL

DENNIS P. BOUEY PORT OF SAN FRANCISCO

JOHN BRISCOE WASHBURN, BRISCOE & McCARTHY

PAUL B. CAMPOS BUILDING INDUSTRY ASSOCIATION OF NORTHERN CALIFORNIA

MICHAEL CHENEY CONSULTANT

EMMETT S. CLIFFORD CONSULTANT

A' OP. da SILVA = VALLEJO

> ICK R. FERRIN OF OAKLAND

ROBERTA GOULART CONTRA COSTA COUNTY

D. CARL HANSON SAN FRANCISCO DRYDOCK, Inc.

DAN HUSSIN GREAT LAKES DREDGE & DOCK, Inc.

JEFFREY JOHNSON ELLMAN, BURKE, HOFFMAN & JOHNSON

BRUCE L. KERN

JIM LEVINE LEVINE FRICKE, Inc.

BARRY LUBOVISKI BUILDING & CONSTRUCTION TRADES COUNCIL OF ALAMEDA COUNTY

CHARLES L. ORMAN CHEVRON U.S.A. PRODUCTS COMPANY

P. B. PLANT BENICIA INDUSTRIES

MICHAEL POWERS PORT OF RICHMOND

PAUL P. SHEPHERD CARGILL SALT

WAYNE SUTHERLAND THE DUTRA GROUP

MICHAEL B. WILMAR 'AN, GUTHNER, KNOX & ELLIOTT

5

EXECUTIVE DIRECTOR ELLEN JOHNCK

ADMINISTRATIVE ASSISTANT JENNIFER M. O'KEEFFE

### July 19, 1996

Ms. Karen Mason LTMS EIS/EIR Coordinator c/o Environmental Protection Agency Region 9 (W-3-3) 75 Hawthorne Street San Francisco, CA 94105

Subject: Comments on the Long Term Management Strategy (LTMS) for the Placement of Dredged Material in the San Francisco Bay Region <u>Draft Policy Environmental Impact</u> <u>Statement/Programmatic Environmental Impact Report</u> (DEIS/EIR)

To the LTMS Agencies:

We are pleased to respond to your request for public comment on the proposed policy alternatives for the placement of dredged material and, in particular, on a policy approach that transitions over time from Alternative 1 (which emphasizes aquatic disposal of most material in the in-Bay and oceans sites, with relatively limited upland/wetland reuse) to Alternative 3 (which emphasizes a balance between ocean disposal (40% and beneficial reuse at upland/wetland sites (40%), with limited in-Bay disposal (20%).

The Bay Planning Coalition (BPC) members representing a crosssection of the Bay's primary producers— ports and maritime industry, shoreline business and property owners, local government and recreational boating users, have much at stake regarding the outcome of the LTMS. Since we were the primary catalyst for the establishment of the LTMS program, we have been and will continue to be actively involved to ensure its successful implementation.

The efforts to produce such an extensive DEIS/EIR are laudable; however, it appears that the LTMS agencies are pursuing a direction, namely, the upland reuse disposal alternative which is based solely on an administrative and predetermined point of view, without providing the required environmental or economic effects evaluations. This policy, if adopted into regulation, would have severe financial implications to Bay business and is significantly off course from the original goals of

1

- 1 the LTMS and contrary to the legal requirements of NEPA/CEQA that alternatives must be <u>practicable</u>. Let us emphasize that BPC very much supports and promotes environmentally-responsible projects such as the beneficial reuse of dredged material, but only when this approach is cost-effective, and the disposal decision is based on sound science that evaluates and provides for the management of environmental effects.
- We agree that there are substantial benefits to, for instance, a wetland restoration project using dredged material, such as the Sonoma Baylands. The Baylands project, is really the only large-scale project of this type completed in recent Bay history. The process for project approval was long and complex and only occurred because of specific financial (federal and state subsidies), political (the involvement of the President of the U. S.) and regulatory crisis circumstances. This type of beneficial reuse project may be replicated in the future given a similar set of circumstances. However, wetland restoration reuse projects cannot be achieved as a routine occurrence as perhaps the LTMS agencies' policy options envision.
- <sup>3</sup> Based on our members' expertise and experience in dredging, our comments will elaborate on why the upland reuse alternative is not practicable\*\* at the present time due to economic and environmental constraints and highlight what further considerations need to be evaluated in the development of the LTMS Management Plan.

We have already begun to experience increased dredging costs in the past few years for maintenance dredging under our normal in-Bay disposal practices due to many factors, including costs for sediment testing and the reduction of dredging

3a(1) contractors operating in the Bay to 1-2 companies. The DEIS/EIR has overlooked an essential factor, i.e. the majority of material disposed at the in-Bay sites is maintenance material; not large volume, new work projects. We do not anticipate any new work projects in the future, except for the Port of Oakland's 50' deepening project and some parts of the S. F. to Stockton ship channel, and these projects will likely be able to utilize reuse opportunities. So for purposes of the DEIS/EIR, it is important to direct LTMS agency attention to the economic impact of moving
3a(2) maintenance material to upland reuse. A predictable and timely completion of the maintenance dredging cycle for all maritime operations is crucial to the stability

\*\*(Random House Dictionary defines "practicable" as "capable of being used." The definition of "practicable" according to the Clean Water Act is "...available and capable of being done considering cost, technology and logistics.")

of the maritime-based economy. Our grave concern is that the implementation of a disposal approach which would limit in-Bay disposal of maintenance dredging to

even smaller volumes than presently allowed under the Corps of Engineers in-Bay Site Management Plan (PN 93-3) will have severe business disruption and major economic consequences to Bay users.

The major shortcomings of the DEIS/EIR are the failure to understand and apparent | 3b(1) lack of knowledge about the economics of dredging and infrastructure cost associated with upland reuse and also the importance, both legally and scientifically, of the environmental assessment in disposal decisionmaking.

3b(2)

3c

4

Based on the above-described shortcomings, we cannot recommend a specific option, nor do we think the agencies should select a policy alternative until the LTMS develops and evaluates practicable, cost-effective, and environmentally sound, "real" alternatives. At the present time, there are no upland reuse alternatives available. Certain tasks, such as a more detailed analysis of the environmental and economic impacts of upland disposal and comparisons with aquatic disposal, must be completed.

As part of the environmental analysis, the subject of sediment quality testing and its role in determining environmental effects of disposal must be considered. Sediment quality evaluations drive disposal decisionmaking. At present there is no consistent and justifiable decisionmaking framework for interpreting the dredged material test data which makes the link from the test results to a determination of demonstrated environmental effects. We recommend that workshops be convened by the LTMS agencies to do the following:

1. Revisit the premises of the existing sediment testing guidelines, Public Notice 93-2. As part of our LTMS comments, a paper entitled "Sediment Quality Testing: Issues Related to the Testing Guidelines for Dredged Material Disposal at S.F. Bay Sites" is enclosed for your review and instruction. This paper describes serious flaws with PN 93-2. We recommend that the LTMS agencies convene a series of workshops to rethink and redraft PN 93-2. The workshop agenda should include a discussion of such topics as the approach to the design of testing requirements, interpretative criteria for bioassays, species selection and point c. reference for sediment comparison purposes, and allowable mixing. These workshop discussions should result in a new Regional Testing Guidance Manual.

2. Develop a Regional Decisionmaking Framework for evaluating the environmental acceptability of the full continum of dredged material (both clean and contaminated) management alternatives. Both the Decisionmaking Framework and the replacement of PN 93-2 should be incorporated into a new Regional Testing Guidance Manual and adopted into the LTMS Management Plan.

<sup>4</sup> Rather than revising and recirculating the DEIS/EIR, we recommend that the agencies complete the Management Plan first, which should incorporate these environmental and economic analyses. These analyses should then establish the basis upon which to chose alternative disposal options; and subsequently, the DEIS/EIR can be finalized which will then include scientifically defensible environmental effects and economic impacts of all disposal alternatives.

L LTMS achieves progress towards its goals, thus no need to change existing policy which is reflected in the LTMS goals and objectives

In June, 1991, the LTMS participants adopted these goals:

- 1) Maintain in an economically and environmentally sound manner those channels necessary for navigation in San Francisco Bay and estuary and eliminate unnecessary dredging activities in the By and estuary;
- 2) Conduct dredge disposal in the most environmentally sound manner
- 3) Maximize the use of dredged materials as a resource.
- 4) Establish a cooperative permitting framework for dredging applications.

These objectives were also adopted:

- 1) Coordinate the efforts of responsible agencies regarding dredging activities in San Francisco Bay and estuary, including activities to reduce the contaminant flow into sediments.
- 2) Identify an array of acceptable sites for disposal for material dredged from the estuary. Sites shall be selected from a prioritized list which is developed on the basis of agreed- upon criteria. The site selection process shall be based upon adequate scientific studies, strategies which reduce adverse impacts and increase benefits, and environmental analysis.\*
- 3) <u>Promote the reuse of dredged materials whenever it is shown that there is a need for the material and the placement can be done in an environmentally acceptable manner.\*</u>
- 4) Establish a cooperative permitting framework for dredging applications.

\*(emphasis added)

- <sup>4a</sup> These are excellent, well- balanced goals and objectives, and much progress has been made in the last five years towards the achievement of these goals and objectives. We are certainly not at the same place where we were prior to the LTMS, and thus we think it would be premature without sufficient economic and environmental information to change policies now.
- 4b A Site Management Plan for the in-Bay disposal sites has been established by the U.S. Army Corps of Engineers, limiting disposal volumes to a set level per month

which has improved the sites' dispersive capabilities. Further, the amount of dredged material at the Alcatraz site is lower overall at about 2,000,000 cy annually. The LTMS studies, and even prior reports, assessing the environmental effects of in-Bay disposal of dredged material have not proven any significant adverse impacts of our present in-Bay disposal practices.

4b

6

7a

A deepwater ocean disposal site has been designated and has the capacity to accept very large volume projects that meet the Ocean Dumping Act (MPRSA) criteria. The Sonoma Baylands wetland restoration project and the Sherman and Jersey Island levee maintenance pilot projects are examples of completed projects indicating the progress made to "maximize the use of dredged material as a resource." However, these projects have been relatively expensive compared to aquatic disposal, and we are concerned about increases in the cost for maintaining and monitoring these sites. Another project may soon come on line-- the Montezuma Wetland Restoration Project, however it has not yet been granted its final permits. Other projects are also in their formative stages, e. g. the proposal for the restoration of Hamilton Airfield.

Even though a simplified permitting process is still not completely installed, dredging predictability has increased. A cooperative permitting framework, using a single consolidated permit application, has been initiated by the LTMS agencies with the signing of General Operating Principles and a Memorandum of Understanding for the operation of a Dredged Material Management Office.

II. Economic Impacts and Constraints Affecting the Practicability of Reuse

## A. Cost Factors and Influences on Cost Estimates

The DEIS/EIR relates the costs of proposed disposal alternatives to the "…overall \$7.5 billion per year dredging -related maritime economy in the Bay Area (in 1990 \$)." This is simply inappropriate because it is not possible for the overall economy to pay for increased dredging costs from the LTMS agencies' policy alternatives unless a new tax was imposed on all Bay Area residents and businesses. The federal government and the ports pay for the costs of dredging, as well as shoreline maritime and industrial facilities and recreational marinas. Increased dredging costs are eventually borne by users of shipped cargo, boat berth rentals and the taxpayers.

It is essential in the context of the Management Plan development to document more accurately the actual costs of dredging to gain a better understanding of what the economic impacts are of the proposal to move maintenance dredging to an upland alternative.

- <sup>7b</sup> The ports in the Bay are dependent on the federal cost-sharing provided by the U.S. Army Corps of Engineers to carry out maintenance dredging. The process is intricate and complex and must be completed and authorized by Congress a year in advance. The Corps needs a year's advanced notice to adjust for any changes in maintenance dredging costs, such as a change to local disposal regulations. The federal government generally only pays for what they have paid for historically. Dredging projects nationwide are also competing for a shrinking Federal budget. The local sponsor must have money in the bank first before the Corps will dredge. The bid process, which is based on competitive bidding, affects the price. The site must be available.
  - Ports cannot miss a maintenance cycle. It is crucial to stay on schedule. Shippers
     depend on this regular cycle. It would be economically disastrous if a port were held up because Federal cost sharing became unavailablae due to new local regulations which increased costs.
  - 9 We are concerned that a true cost analysis has not been completed for moving maintenance dredged material out of Alcatraz to various upland and ocean alternatives. According to the Construction Operations Division of the U.S. Army Corps of Engineers San Francisco District, using a hopper dredge, the costs to follow any of the policy options will be 2 to 5 times higher than present which is significant. A detailed description of these cost increases are included in the Appendixes of the Port of Oakland's comments, and we incorporate those charts here by reference.
- 10 The DEIS/EIR fails to provide the necessary details evaluating the components of the cost of dredging, which include dredging and hauling, surveying, sampling and testing, disposal site preparation, administration and mobilization. Until the LTMS does its homework for different scenarios, we don't know what the actual impact will be, although we can anticipate certain overall adverse economic impacts based on our knowledge and experience with dredging projects. Dredging sponsors are at the mercy of the contractor's estimate, and the following describes the factors in the development of a typical estimate depending on different disposal conditions:

1. Project size: larger size projects (several million cubic yards) spread mobilization, fixed, infrastructure and amortization expenses further, thereby lowering dredging unit prices substantially for upland disposal; it has less of an impact for offshore disposal. Thus we are inclined to think that upland reuse is only practicable for very large, new work projects, since most maintenance dredging volumes are small ranging from as small as 160 cy to 100,000 cy.

2. Dredging Rate: Dependent on size and amount of equipment and digging difficulty; a lower dredging rate means higher unit costs. Any stoppage of disposal