



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

MAR 12 2010

CECW-MVD

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

SUBJECT: Louisiana Coastal Area, Beneficial Use of Dredged Material, Final Programmatic Study Report and Environmental Impact Statement

1. Purpose: To provide for your review and approval the Final Programmatic Report and Environmental Impact Statement for the Louisiana Coastal Area (LCA) Beneficial Use of Dredged Material (BUDMAT) program. Section 7006(d) of the Water Resources Development Act of 2007 (WRDA 2007) authorizes the BUDMAT program for coastal Louisiana substantially in accordance with the report of the Chief of Engineers dated 31 January 2005, also referred to as the restoration plan.
2. Recommendation: That the ASA(CW) approve the LCA BUDMAT Final Programmatic Report and Environmental Impact Statement and sign the Record of Decision. Consistent with Section 204 of the Continuing Authorities Program (CAP), it is further recommended that approval authority for implementing beneficial use projects under the BUDMAT Program be delegated to the Commander, Mississippi Valley Division.
3. Background:
 - a. The LCA Study resulted in the recommendation of the restoration plan whose goal is to reduce the current trend of degradation of the coastal ecosystem and was transmitted to your office with the report of the Chief of Engineers for the Louisiana Coastal Area, Louisiana, Ecosystem Restoration, Study dated 31 January 2005, and is included as enclosure 1.
 - b. The restoration plan emphasizes the use of restoration strategies that: reintroduce historical flows of river water, nutrients, and sediment to coastal wetlands; restore coastal hydrology to minimize saltwater intrusion; and maintain the structural integrity of the coastal ecosystem. Execution of the restoration plan is a critical step towards achieving and sustaining a coastal ecosystem that can support and protect the environment, economy, and culture of southern Louisiana and thus contribute to the economy and well-being of the Nation. Benefits to and effects on existing infrastructure, including navigation, hurricane and storm damage risk reduction, flood damage reduction, land transportation works, agricultural lands, and oil and gas production and distribution facilities were strongly considered in the formulation of coastal restoration plans.

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c. By letters dated 18 November 2005, the LCA Study Report and accompanying report of the Chief of Engineers dated 31 January 2005, were transmitted to Congress along with a letter from the Office of Management and Budget dated 1 November 2005 (enclosure 2 and 3).

d. The restoration plan was authorized in Title VII of the WRDA 2007. In accordance with WRDA 2007, decision documents that would provide detailed project justification, design, and implementation data are being prepared. These decision documents, which include the BUDMAT Final Programmatic Study Report and Environmental Impact Statement, would support requests for project construction and would provide the basis for the implementation of the restoration plan. Construction authorization for the BUDMAT Program is provided in WRDA 2007, Title VII, Section 7006(d).

e. The President's Budget for Fiscal Year 2011 includes \$19,000,000 for new start construction for the LCA program. These funds could be applied to the construction of authorized projects that have completed favorable Executive Branch review.

4. Discussion:

a. The Corps completed the enclosed LCA BUDMAT Final Programmatic Study Report and Environmental Impact Statement, dated January 2010, which is included as enclosure 4. The report meets the requirements of the legislation by recommending an implementation plan for a program for coastal Louisiana that beneficially uses material dredged from Federally maintained waterways and is substantially in accordance with the LCA restoration plan.

b. The BUDMAT Program includes \$100 million in programmatic authority to allow for the incremental cost for beneficial use of dredged material over a 10-year period. Funds from BUDMAT Program would be used for disposal activities associated with separate, cost-shared, individual ecosystem restoration beneficial use projects that are above and beyond the disposal activities that are covered under the USACE O&M maintenance dredging Federal standard. The Federal standard for dredged material disposal is the least costly alternative, consistent with sound engineering and scientific practices and meeting applicable Federal environmental statutes. Of the \$100 million recommended for the BUDMAT Program, approximately 15 percent i.e., \$15 million would be used for planning, engineering, and design activities, and real estate acquisition for beneficial use projects implemented under the BUDMAT Program, and the remaining \$85 million would be used for placement of dredged material within the beneficial use disposal sites.

c. The customized program alternative developed through the plan formulation process conducted for this study would utilize a proactive, streamlined approach to achieve objectives of the BUDMAT Program. Using an approach that follows the basic procedures described in the

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2007 EPA/USACE Beneficial Use Planning Manual, the multi-agency Project Delivery Team (PDT) identified potential selection criteria and evaluated their applicability for screening and selecting beneficial use projects. The PDT determined that an initial screening process was needed to identify potential projects that could be coordinated with O&M dredging, followed by two levels of evaluation criteria: first, a set of screening criteria is used to identify suitable candidate projects for design. The beneficial use projects for which planning and design efforts have been completed are then ranked by a second criteria set to determine which project will be implemented by the BUDMAT program in conjunction with O&M dredging of Federally maintained waterways. Through implementation of this program, it is expected that this beneficial use program could contribute to the attainment of up to approximately 21,000 acres of newly created wetlands.

d. Plan formulation for the customized BUDMAT program included an assessment of existing program structures to determine their ability to carry out the required functions of the BUDMAT Program. Existing program processes that fully or partially address the functional requirements for the BUDMAT program were incorporated into the customized program alternative. The customized program alternative also relies on the project planning and design processes of the Continuing Authorities Program (CAP) Section 204, which provides the appropriate level of planning and design for beneficial use projects implemented under a programmatic authorization.

e. Plan formulation also considered the beneficial use of sediment from the Illinois River System for wetlands restoration in wetlands-depleted watersheds of the coastal Louisiana ecosystem as required in WRDA 2007. The plan formulation determined that the use of sediments from the Illinois River System is cost prohibitive due to transportation costs and treatment costs for invasive species.

f. The State of Louisiana supports the LCA Beneficial Use of Dredged Material Program at the authorized 65 percent Federal, 35 percent non-Federal cost sharing, with operations, maintenance, repair, replacement and rehabilitation being a 100 percent non-Federal responsibility, as required by WRDA 2007.

g. The BUDMAT Report includes a Programmatic Environmental Impact Statement that tiers off the LCA PEIS and a draft Record of Decision is included as enclosure 5.

h. The documentation of review findings and a draft transmittal letter to the Office of Management and Budget are provided as enclosures 6 and 7.

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5. Conclusions:

a. I have reviewed the final Programmatic Environmental Impact Statement for the Beneficial Use of Dredged Material Program (BUDMAT) in the coastal parishes of Louisiana. Based on this review, and the views of interested agencies and the concerned public, I find the recommended plan fully addresses the planning objectives and request your approval. The plan is justified, in accordance with environmental statutes, and is in the public interest.

FOR THE COMMANDER:

A handwritten signature in black ink, appearing to read 'S. L. Stockton', written in a cursive style.

STEVEN L. STOCKTON, P.E.
Director of Civil Works

Enclosures