

Coos Bay Channel Modification Section 204/408 Report and EIS Change from WRDA Section 203 to Section 204

March 4, 2015

The following timeline demonstrates how the Oregon International Port of Coos Bay (OIPCB) Coos Bay Channel Modification Project has changed from a Water Resources Development Act of 1986 (WRDA) Section 203 integrated Feasibility Study/Environmental Impact Statement (FS/EIS) to a WRDA Section 204/408 Report and Environmental Impact Statement (EIS).

- 2006 – APM Terminals North America (APMT) identified a location on the North Spit for development of a new container terminal. APMT signed an option agreement with OIPCB and invested in a preliminary terminal design and studies of the Coos Bay Federal Navigation Channel.
- 2007 – OIPCB notified the Assistant Secretary of the Army, Civil Works that they would conduct a FS/EIS for the Project under the authority of WRDA, Section 203. He confirmed.
- 2007 to 2009 – OIPCB contracted a consultant team (David Evans and Associates, Inc., Moffatt & Nichol, BST Associates, Archaeological Investigations Northwest, GRI, Cogan Owens Cogan, Integrated Water Solutions) to develop the FS/EIS. The consultant team conducted preliminary feasibility studies focusing on modifying the navigation channel to serve large deep-draft container ships.
- 2009 to 2012 – OIPCB and its consultant team broadened the FS/EIS focus to capture the full range of commodity opportunities available to OIPCB. A preliminary screening of commodity opportunities, alternative plan formulation, and detailed technical studies were then developed.
- 2012 to 2013 – The FS/EIS consultant team refined alternative plans and detailed technical studies based on updates to OIPCB opportunities and the WRDA Section 203 FS/EIS process.
- 2013 – The following occurred:
 - The OIPCB learned that the U.S. Army Corps of Engineers only considered existing terminals (or those that would be under construction) in the WRDA Section 203 FS/EIS process. They had previously been led to believe that the Corps accepted letters of interest from potential future terminal developers. This change significantly limited the terminals and commodities that could be included in the FS/EIS.
 - The OIPCB learned that the U.S. Army Corps of Engineers required that HarborSym, an economics model, be included in the FS/EIS. This model must be run by the Corps but coordinated by an expert who understands the model well.
 - Because the existing economic consultant on the project was not familiar with HarborSym, they were replaced with a new consultant – David Miller and Associates (DMA). DMA is a nationally recognized expert in coordinating WRDA projects with the Corps, so the OIPCB hired them to replace Integrated Water Solutions as well.
- 2014 – On February 10, 2014, the OIPCB sent a letter to Assistant Secretary of the Army, Civil Works Darcy informing her that they were changing from WRDA Section 203 to Section 204 to accomplish the project most expeditiously. She confirmed receipt of this letter on March 24, 2014. After changing to the Section 204 process, OIPCB coordinated with the Corps to establish that a separate EIS and a combined Section 204/408 Report would be developed, satisfying requirements of WRDA and Section 14 of the Rivers and Harbors Appropriation Act 33 U.S.C. 408.

Benefits of Section 204 Process:

- We are saving significant time by using the Section 204 process. Even after the FS/EIS is approved, the Section 203 process would require additional time (years) for Congressional authorization in a new WRDA bill and then more time (years) for appropriation. It could easily take a total of ten years, as there has often been seven years between WRDA bills.
- In the 204 process, the OIPCB has the ability to select the alternative that meets local interest, so long as the economic Benefit Cost Ratio is positive and somewhat robust. This means that they can make improvements that benefit the multimodal industry users of the harbor. In a 203, they would be required to select the alternative with the highest Benefit Cost Ratio, or in other words, the alternative that would benefit the nation the most.
- For a 203, a feasibility study is required, which has very specific, stringent requirements and review procedures. The 204 requires a report demonstrating that the project is “environmentally acceptable, economically justified, and engineering feasible”. This report is more flexible compared to a feasibility study. This saves time and effort pre-construction.