

SABINE-NECHES WATERWAY MEETING  
01/26/2010

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SABINE-NECHES WATERWAY PUBLIC MEETING  
JANUARY 26, 2010

REPORTED BY: Ada V. Christy, CSR, RPR

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1 MR. REESE: Good evening. My name is  
2 Randall Reese. I am the general manager of the  
3 Sabine-Neches Navigation District. We are the local  
4 sponsor for the U.S. Army Corps of Engineers on the  
5 Sabine-Neches Waterway. At this time, I'd like to  
6 introduce those present with the Navigation District  
7 that are here with us tonight. We have Paul Beard, our  
8 board chairman; Joe Johnson, our commissioner, one of  
9 our commissioners. We have Clay Henderson, who is our  
10 assistant general manager. And we have our attorney,  
11 Hubert Oxford, who is with us tonight.

12 I know we have a good presentation tonight.  
13 So I'm not going to delay in getting started. At this  
14 time, I'd like to introduce Colonel David Weston, who is  
15 the commander of the Galveston District, U.S. Army Corps  
16 of Engineers.

17 COL. WESTON: Good evening ladies and  
18 gentlemen. And thank you, Randy, for the introduction.  
19 Pleased to be here tonight. As Randy mentioned, I'm  
20 Colonel Dave Weston. I'm the commander of the Galveston  
21 District for the U.S. Army Corps of Engineers. And I  
22 welcome you to tonight's public meeting concerning the  
23 Sabine-Neches Waterway Channel Improvement Project.

24 Specifically, we're here tonight to present  
25 information and accept public comments on the following

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1 draft documents that were released for public review on  
2 December 24, 2009: The Draft Feasibility Report for the  
3 Sabine-Neches Waterway Channel Improvement Project,  
4 Southeast Texas and Southwestern Louisiana; the draft  
5 Environmental Impact Statement, Sabine-Neches Waterway  
6 Channel Improvement Project, Ocean Dredge Material  
7 Disposal Site Designation; the draft General Conformity  
8 Determination, Sabine-Neches Channel Improvement  
9 Project.

10 And for the record, I'd like to state that  
11 this public meeting is being convened at 7:00 p.m. on  
12 January 26th, 2010, at the Beaumont Civic Center in  
13 Beaumont, Texas.

14 As you know, the Corps of Engineers and the  
15 Sabine-Neches Navigation District have been performing a  
16 study analyzing potential modifications to the portion  
17 of the Sabine-Neches Waterway that serves in the Ports  
18 of Beaumont and Port Arthur, Texas.

19 Two objectives were identified from the  
20 study. And these objectives were improving navigational  
21 efficiency along the Sabine-Neches Waterway and  
22 maintaining the ecological value of coastal and  
23 estuarine resources within the project area.

24 A cost-effective plan has been identified  
25 by the study that meets these objectives. This plan,

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1 which we refer to it as the "tentatively recommended and  
2 locally preferred plan," will be described by study team  
3 members after my presentation. We are specifically  
4 seeking input concerning the plan and associated  
5 environmental impacts that are described in these  
6 documents.

7 I hope that you all had an opportunity to  
8 read the announcement of the public meeting either on  
9 our website in the Galveston District or in the  
10 individual announcements that were mailed to  
11 individuals, agencies, organizations, and news media  
12 believed to have an interest in these proceedings. The  
13 meeting notice was also published in the Beaumont  
14 Enterprise in Beaumont, Texas, and the Southwest Daily  
15 News in Lake Charles, Louisiana.

16 An addi- -- an additional fact sheet is  
17 also available at the entrance. I hope you had a chance  
18 to take a look at that. The announcement mailing list  
19 and a list of those present will be made a part of  
20 record of this meeting. And a court reporter is here  
21 who will transcribe these proceedings and all public  
22 comments.

23 Before we go any further, I'd like to  
24 introduce the public officials we have here tonight. We  
25 have Mr. Fred Jackson representing the Jefferson County

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1 Judge's Office. There he is. Additional, I'd like to  
2 introduce those members of my team from the Corps of  
3 Engineers that are here tonight: Mr. Arthur Janecka,  
4 our deputy district engineer; Mr. Dolan Dunn, our chief  
5 planning, environmental, and regulatory division;  
6 Ms. Carolyn Murphy, our chief environmental section;  
7 Mr. Byron Williams, project manager for the  
8 Sabine-Neches Waterway Study; Ms. Sheri Willey, our  
9 planning lead; Ms. Gloria Appell, our economics lead;  
10 Ms. Janelle Stokes, our environmental lead; Ms. Nancy  
11 Young, project engineer; and Ms. Samantha Lambert, our  
12 hydrology and hydraulics engineer.

13 Now I'll turn this presentation over to  
14 Mr. Byron Williams who will describe the ground rules  
15 for the tonight's meeting. Thank you.

16 MR. WILLIAMS: Greetings again. My name is  
17 Byron Williams, project manager for the Sabine-Neches  
18 Waterway Project. First of all, we'd like to make sure  
19 everyone has filled out an attendance card. We need the  
20 cards to document all attendees here. In addition, if  
21 you check off on the card that you would like to speak,  
22 we need the card turned in so we may announce your name  
23 at the appropriate time. So anyone who has not filled  
24 out a card and would like to speak, please raise your  
25 hand now, and we can have one handed to you.

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1                   Okay. Thank you.

2                   Everyone who did fill out the card will  
3 have an opportunity to speak after the presentations  
4 have been made by the Corps and the Sabine-Neches  
5 Navigation District. And if you do not wish to speak,  
6 we do have 8-1/2 by 11 comment cards that you may fill  
7 out and either place in the baskets that we have in the  
8 rear of the room and/or send them in via snail mail.  
9 Anyone would like a card to send in comments? Okay.  
10 Thank you very much.

11                   First of all, I'd like to emphasize that  
12 this is not a voting contest. We're not going to decide  
13 just by standing up if you're for or against the  
14 project. That's not the purpose of tonight's meeting.  
15 The format, what we're going to do is we're going to  
16 have Clayton Henderson of the Sabine-Neches Navigation  
17 -- Sabine-Neches Navigation District, he's the assistant  
18 general manager. He's going to come up and give you an  
19 overview of the Sabine-Neches Waterway. Followed by Ms.  
20 Sheri Willey, she is the planning lead. She's going to  
21 give an overview of the Feasibility Study and the  
22 recommended plan. Followed by Ms. Jan Stokes, she's  
23 going to give an overview of the Environmental Impact  
24 Statement.

25                   Afterwards, Colonel Weston is going to open

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1 the floor to comments. First by recognizing all public  
2 and state officials -- federal and state officials that  
3 wish to comment. Then followed by the public agencies,  
4 federal and state that wish to comment, resource  
5 agencies. Then followed by individual comments  
6 addressed in the cards that I mentioned earlier.

7 Everyone will get a chance to speak. All  
8 comments, however, will be limited to three minutes. I  
9 will be standing here, and I'll raise my hand when you  
10 have 30 seconds left. Please adhere to  
11 three -- three-minute time rule, as we'd like to be  
12 courteous. And -- well, yeah, just adhere to the  
13 three-minute time rule. I'm going to raise my hand. We  
14 won't have a security come in and take you out. But  
15 after three minutes, we'd like you to just properly sit  
16 down. Thank you very much.

17 And also, as far as applause and reaction  
18 to certain comments, we ask that you do not do that as  
19 well. So we can keep the meeting in a orderly fashion.  
20 First of all, I think I covered everything. Without the  
21 further ado, I'm going to introduce Mr. Clayton  
22 Henderson of the Sabine-Neches Navigation District.

23 MR. HENDERSON: You have to bear with me  
24 for a second.

25 MR. WILLIAMS: I'm going to try lowering

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1 these lights and see what you -- will you still be able  
2 to see?

3 MR. HENDERSON: I will.

4 MR. WILLIAMS: Okay.

5 MR. HENDERSON: Thank you. Evening. I'm  
6 Clayton Henderson, assistant general manager of the  
7 Sabine-Neches Navigation District. Sabine-Neches  
8 Navigation District is the local sponsor to the Army  
9 Corps of Engineers for the Sabine-Neches Waterway. In  
10 short, we act a lot of times as the middleman between  
11 industry in the area and the federal government for the  
12 project.

13 So what I want to do before getting into  
14 details of a lot of what you're going to hear tonight is  
15 give you a sort of a recap a little bit of what brings  
16 us here tonight from the local sponsor's perspective,  
17 and how we got to tonight. The Sabine-Neches Waterway  
18 has a long history of improvements. You know, a lot of  
19 times because it's been quite a while since our last  
20 improvement, we tend to think that, well, we've never  
21 improved it before. But you can see that we're pretty  
22 good at it. We've been doing it for quite a while.  
23 There's been a federal interest in the -- in the project  
24 since even before 1912. But I wanted you to realize  
25 that it's not something new. It's something that we do

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1 continually. It's -- as an area, we've embraced in the  
2 past. We've always will embrace it probably in the  
3 future. Because it's what's drives our area  
4 economically. And I want to say I think you'll see  
5 tonight that we've gotten smarter as we've done the  
6 improvements, both from an economic perspective and an  
7 environmental perspective.

8 But as I mentioned, the federal government  
9 and the local sponsor in the area held hands on this  
10 project for -- for quite some time. Since 1875 federal  
11 government has had a hand in the project. That led  
12 ultimately to that 1912 first improvement of the  
13 waterway.

14 But it's always been kind of a -- kind of a  
15 two- to three-party perspective for the project.  
16 There's the federal interest, there's the industry,  
17 local industry, and then there's the local area, local  
18 economy, and the -- and the citizens. And so though we  
19 share the funding for -- for the project, federal  
20 government does pay for a lot of maintenance. The  
21 Navigation District will pay for things like the  
22 placement of the dredge areas or locating the real  
23 estate. And then private industry has to pay their  
24 portion that's outside of that federal channel. So we  
25 all kind of pay our share. And we all kind of pay as we

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1 go on a -- on an improved project, always have. That's  
2 not going to change as we go forward and as we go into  
3 improved projects into the future.

4 But I do want to kind of touch base on kind  
5 of some of the things that we were looking for about a  
6 decade ago when we kicked off looking at improving our  
7 channel. Two main tenants that we started with were  
8 deepening and widening. And you've probably heard the  
9 project referred to as a "deepening-widening project"  
10 for quite some time. We like to drop that widening here  
11 recently, and we call it "deepening." But I want to  
12 emphasize tonight, because I've heard in some other  
13 meetings here recently since that time that well, is  
14 that's a big change for the project, whatever. And I  
15 want to emphasize the fact that this -- this is actually  
16 a quote from a presentation that was given in '99 from  
17 the Navigation District. But originally, the idea was  
18 obviously to deepen it from out in the Gulf of Mexico  
19 all the way to Port of Beaumont. The widening was going  
20 to be some widening, "strategic widening" we like to  
21 call it here and there. But it was never going to be  
22 just a bulk widening all the way up the waterway. But  
23 the point that I want to make in that statement is the  
24 -- the italicized portion there "was to improve the  
25 transportation, efficiency, and navigational safety of

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1 the waterway."

2 Even though we've dropped this -- the term  
3 of the widening, we retained a lot of the aspects of the  
4 project that are going to give us the benefits of that.  
5 And we, as the local sponsor and asked to kind of speak  
6 for the area in that regard, don't feel like we've given  
7 up one inch in efficiency or navigational safety on the  
8 waterway. So I want to make that at least clear from  
9 the nav- -- from the Navigation District's perspective.  
10 We do believe that we're -- we're getting what we paid  
11 for when it comes to this Feasibility Study and a good  
12 product that the -- that the Corps has put out.

13 But that doesn't mean that the channel  
14 itself hasn't been driving us toward this improvement.  
15 With the advent or the oncoming and deepening and  
16 widening of the Panama Canal, with the regulations that  
17 are going to cause the ship hulls to start changing  
18 about 2015, we are already starting to see and feel the  
19 -- the pressures of improving this channel. You saw on  
20 the slide where we've been improving. This will be our  
21 sixth time. And when it started out, we improved about  
22 every ten years, and then it got to be about every 15 or  
23 so. And this one's been -- been a pretty good -- good  
24 time frame. It's been since 1960, '62ish that we're  
25 living with that project -- with that -- with this

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1 project. So 50 years is a good horizon, and the Corps  
2 shoots for a 50-year horizon. But what we're seeing is  
3 the ship industry, the shipping industry and industry in  
4 general, really starting to pressure and push that  
5 project's edges. And so though our waterway is  
6 sufficient today, we are -- we are receiving ships that  
7 could go deeper, that could go beyond the design limits  
8 of the waterway even today. And so we think that this  
9 improved waterway is perfect timing, right in line with  
10 when we wanted it, how we wanted it. And we were  
11 stating this a decade ago. And it's still true today,  
12 and gets truer every day I think as we work and operate  
13 on the waterway.

14 So in that vein, this has been a long  
15 process. The civil works process is lengthy -- I'm not  
16 going take you through every one of those blocks. But I  
17 do want to highlight kind of where we are, kind of a you  
18 are here map. On that slide, you'll see the different  
19 colors. We're -- we're pretty much smack-dab in the  
20 middle or just to the right of the second line there, on  
21 about Block 9. It's about a 21-step process, ballpark.  
22 But we do believe though, though that we're on the Step  
23 9, which is the final Feasibility Report, and right  
24 about where we are today. We're going to slip pretty  
25 quickly beyond that and just -- and down -- we believe

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1 it's going to be downhill from here as far as the  
2 time -- the timing. We're hopeful that we'll get a  
3 water resources bill that'll time right with our  
4 September chief signing this year. And we're hoping  
5 that -- what's going to cause -- is maybe we'll be doing  
6 the preliminary engineering by next year. So hope  
7 spring's eternal always for the local sponsor I know,  
8 but it does kind of give you an idea of where we are in  
9 the bigger scheme of things as we bring this Feasibility  
10 Report and this EIS to its public meeting.

11 In '99, we mentioned earlier, '97, '99 time  
12 frame, we did the reconnaissance phase to kind of see  
13 were we going to do to feasibility. And I think it's  
14 important to point this out. These bullets were right  
15 from -- kind of what was driving us in -- kind of what  
16 came out of the -- the reconnaissance study. And I  
17 think these are worth noting, because you're going to  
18 see we were pretty accurate with them.

19 The project was found to be, or at the  
20 time, the project was found to be in the interest of  
21 federal government, absolutely still is. The  
22 benefit-to-cost ratio 1.2 to 1. You're going to hear  
23 tonight some numbers that are going to jive with these  
24 numbers that are about a decade old. So I think the  
25 project, what we're seeing is and what I'm saying is

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1 that it's fleshing out to be what we were expecting it  
2 to be even a decade ago with a lot of changes. I think  
3 Jan and them are going to go through a lot hurdles and a  
4 lot of loops that changed as the process went along,  
5 that public works process, to square nine, a lot work in  
6 those nine squares. But you're going to see that things  
7 were pretty accurate.

8 The one -- the one I do like to -- to point  
9 out is just to give the Colonel one last time to -- to  
10 let us buy it for \$260 million. But we do think that  
11 the price is going to be a little lower than that. But  
12 that was leftover from the reconnaissance phase.

13 But the two big bullets that I think that I  
14 want to land on, as far as how we kicked off the  
15 feasibility were these two, which were -- those kind of  
16 our action items from the reconnaissance phase, which  
17 was at the end of the feasibility phase. And tonight  
18 being part of that is to be able to have the Corps  
19 describe and evaluate alternative plans. And you've  
20 seen back there in the presentations, you're going to  
21 hear a lot about it. I think Jan and her team and  
22 Colonel and his team and Byron, they've done a great job  
23 at fleshing out all the ways we could improve our  
24 waterway. There's -- there's a lot of probable ways we  
25 could have done it. I think they've gone through all

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1 these turn -- alternatives. I think it was about 120 or  
2 so, when it was all said and done. Quite a lot of work,  
3 quite a lot of extensive study to do that. And then,  
4 not just to throw out all those alternatives and bring  
5 all of them to us and let the industry pick, but to kind  
6 of boil that down and -- and to fully propose a  
7 recommended project. And so I think you're going to  
8 hear a lot of that tonight. And I don't think you're  
9 going to be disappointed in that respect.

10 Some of the particulars as we went through  
11 the feasibility phase is from the local sponsor's  
12 perspective, and as we hold hands with the Corps of  
13 Engineers, was that we cost shared the whole Feasibility  
14 Study. We didn't put it all burden on the federal  
15 government, 'cause we're asking the government to take a  
16 look at our waterway. But at the same time, they  
17 realize the importance federally of the waterway. So  
18 they held hands with us on the cost of it, and we've  
19 shared that. And it always would, and tonight  
20 is -- will include the preparation of Environmental  
21 Impact Statement. We always wanted that to be part of  
22 our study. In 1912 that might not have been the case.  
23 But I think we've grown quite a lot as far as the way we  
24 look at our environment and the ecology of our waterway  
25 as we look at doing improvements such as this.

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1                   Forty-eight months to complete the  
2                   Feasibility Study and the \$7 million price tag on it  
3                   might have slid off of that a little bit. But I -- but  
4                   I want to leave with you with the idea that from the  
5                   local sponsor's perspective, we think we definitely are  
6                   going to get our money's worth out this product. And  
7                   out of the study that the Corps has put together, we  
8                   think it's great study, fine study. Might have taken a  
9                   little longer than we might have wanted overall, but I  
10                  think at the end of day, it's for a good reason. I  
11                  think it's going to be a -- you'll see, I think you'll  
12                  agree with me at the end of this that's it's a good  
13                  project. It's a fully vetted project. And we always  
14                  wanted it to be an open process. And so that's kind of  
15                  how we come here tonight, kind of where I'll leave you  
16                  tonight is we always wanted to fully identify the  
17                  stakeholders and urge their participation in it. I  
18                  think Jan did a magnificent job in getting all the state  
19                  and federal resources together. I mean, that is a huge  
20                  task. Because our waterway is unique in the sense of  
21                  its federal importance, plus it straddles two states.  
22                  You can just imagine all the things that went into that.  
23                  Some of you were part of that. So we encourage that.  
24                  We wanted that early on to continue to make this an open  
25                  process. And so I look forward to tonight, to your

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1 comments as well. Local sponsor clearly is behind the  
2 project, the way the Corps has been presented tonight.  
3 And 100 percent happy to hear your comments on the  
4 project. And I thank you for your time tonight and your  
5 participation tonight.

6 MS. WILLEY: I'm Sheri Willey with the  
7 Corps of Engineers. I'm the planning lead. I'm -- I  
8 just want to go through the basic idea of how we did the  
9 study and basic information for the study. It started  
10 out with the study authority, that was in 1997. The  
11 authority stated that the Corps should determine the  
12 feasibility of modifying the channels to the Ports of  
13 Beaumont, Port Arthur, and Orange. That was what  
14 started the reconnaissance study that Clayton had  
15 referred to. That began in 1998. And then from the  
16 results of the reconnaissance study, we moved into the  
17 feasibility phase, which started in 2000. This phase,  
18 we're now at the point where we have the draft  
19 Feasibility Report and the draft EIS, Environmental  
20 Impact Statement, which is currently out for public  
21 review.

22 Here's a list of those study participants.  
23 As you can see, there's been coordination with a number  
24 of agencies throughout the study process. Ms. Stokes  
25 will address this coordination further in her portion of

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1 the presentation. She'll go into a lot more detail.

2 The channel extends from the Gulf of Mexico  
3 to the -- to the Port of Beaumont. The channel to  
4 Orange portion of the waterway is -- was -- is not part  
5 of the Feasibility Study. Here is the geographic limits  
6 of the study area. It's a very, very large study area.  
7 The GIWW that there is a portion of the GIWW, it extends  
8 from Star Bayou on the west to Gun Cove Ridge on the  
9 east. The Gulf shoreline that was studied extended ten  
10 miles on each side of the channel. This area includes  
11 two ports, the Port of Beaumont and the Port of Port  
12 Arthur; two counties in Texas, Jefferson and Orange; two  
13 parishes in Louisiana, Cameron and Cal- -- Calcasieu;  
14 the Golden Triangle of -- of Beaumont, Port Arthur, and  
15 Orange, as well numerous smaller cities and communities.  
16 So it was a very wide study area. This is just an  
17 example of some of the facilities at the Port of Port  
18 Arthur and Port of Beaumont.

19 The existing study dimensions are listed  
20 here. It currently is a 40-foot deep channel. It's  
21 42 feet at the section out by the jetties. But  
22 over -- we still refer to it as the "40-foot project."  
23 It's divided into a number of reaches. And the total  
24 length is about 64 miles.

25 The Feasibility Study has taken a number of

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1 years, but this is because this project is one of the  
2 most complex projects in the nation. The project area  
3 is very large and involves, you know, the state of Texas  
4 and Louisiana. In addition, the project area has  
5 multiple water bodies: The GIWW, the Sabine-Neches  
6 Waterway, Sabine Lake, the Neches River. With -- and  
7 all of this has a complex salinity and circulation  
8 pattern. So there was much to be studied.

9 The channel is the longest current channel  
10 in the state of Texas at 64 miles. And with the  
11 proposed project, would be approximately 76 miles long.  
12 The deepening of such a channel will resort -- will  
13 result in enormous amount of dredge material that either  
14 has to be placed in upland or offshore placement areas,  
15 or used beneficially.

16 The area also contains a very diverse  
17 habitats from bottomland hardwoods to emergent wetlands  
18 to open shal- -- shallow open water. All of these  
19 factors have required a much more time-extensive study  
20 effort to adequately evaluate potential project impacts  
21 for the deepening of the waterway.

22 And when we start to look at the project,  
23 we had -- we wanted to look at the problems and  
24 opportunities. And we were looking at these three  
25 categories: Navigation and commerce, environmental

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1 concerns, and social and economic factors. Under  
2 "navigation and commerce," the existing 40-foot depth  
3 result -- results in draft restriction and affects the  
4 navigation efficiency. The existing channel is designed  
5 for loaded drafts of about 36 feet. The projected  
6 increases in the Sabine-Neches Waterway commodity  
7 transport will compound the existing problems with the  
8 transportation efficiency. The majority of the tonnage  
9 is carried in deep-draft vessels. And the vast majority  
10 of the deep-draft traffic is comprised of crude oil  
11 and petrochemical products. About three-quarters of the  
12 crude oil tonnage is transported in vessels with design  
13 drafts over the current project depth of 40 feet. Often  
14 there is off-loading from the larger vessels offshore  
15 that has to occur. And then the cargo is being brought  
16 in by shuttle vessels. Also there's been transit rules  
17 adopted by the Sabine pilots that result in daylight  
18 only and one-way sailing restrictions for certain  
19 conditions of the waterway.

20 For the environmental concerns, there was  
21 salinity intrusion, loss or deterioration of wetlands,  
22 the effects on water and -- or sediment quality,  
23 increased inshore channel and Gulf shore erosion, and  
24 beneficial use of dredge material. The definition of  
25 "beneficial use of dredge material" would be that we

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1 would use this material from either the construction of  
2 deepening the channel or the maintenance of deepening  
3 the channel in a beneficial way. And in this project,  
4 we propose to use it to restore marsh and renourish the  
5 Gulf shoreline.

6 Social and economic factors. The economic  
7 effects of reduced transportation efficiency is one.  
8 Also regional economic effects in Louisiana and Texas,  
9 there could be economic growth, growth and development  
10 with the deeper channel.

11 There's -- we also have to look at  
12 potential impacts. The potential impact to the public  
13 infrastructure -- excuse me. This includes the  
14 Port Arthur hurricane protection levee, and then there  
15 were various state highways and bridges that we had to  
16 consider in the state. Also there is an increased taxes  
17 required possibly to fund the channel improvements.

18 The Feasibility Study objectives. In 2000  
19 we began the Feasibility Study and sponsored public  
20 scoping meetings in Lake Charles and also Beaumont. The  
21 planning objectives for the study were to improve the  
22 navigation efficiency of Sabine-Neches Waterway while  
23 maintaining or enhancing the affected area's coastal  
24 estuarine resources.

25 The Sabine-Neches Waterway plays a

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1 significant role in the economy of the Golden Triangle  
2 area. The amount of vessel traffic along the waterway  
3 is increasing with the economic growth of the area.  
4 With the current channel dimensions, there are size  
5 restrictions on the large vessels, which utilize the  
6 channel. The current 40-foot depth and the channel  
7 width restrict the vessel movement to one-way convoys or  
8 daylight-only sailing. Tankers also must anchor  
9 offshore and lighter their cargo into shallower drafts  
10 that can be navigated, and that can navigate the  
11 waterway. So all of these things were taken into  
12 account to try to improve the navigational efficiency of  
13 the waterway.

14 For the alternatives evaluated during the  
15 screening, with any feasibility study we have to take  
16 into account the no-action alternative. And that's  
17 pretty self-explanatory, it's what would happen if  
18 nothing was done. We'd have to take into account how  
19 the, you know, if we just continue to maintain the  
20 channel as it is right now.

21 Additionally, we looked at some  
22 nonstructural alternatives. A traffic management  
23 system, that is the system the Coast Guard, the Coast  
24 Guard managed system. It's already in place, but we had  
25 to take into account using that or, you know, fully

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1 utilizing that system.

2 Also, the -- we had -- we looked into the  
3 relaxation of the pilot rules, such as allowing some  
4 two-way traffic in certain areas or different things  
5 that would relax their rules somewhat. And see if that  
6 would help the efficiency of the waterway.

7 And another of the nonstructural  
8 alternatives we looked at were alternative mode of  
9 commodity transport. Such as offshore terminals where  
10 tankers can dock and connect to a pipeline to off-load  
11 the product. Two of those that we looked at were the  
12 Louisiana Offshore Oil Port (LOOP), which is existing.  
13 And we also looked into the bulk oil offshore transfer  
14 system BOOTS, which was proposed, but is not currently  
15 an active project.

16 Structural alternatives. We looked at more  
17 than 120 combinations of different channel depths and  
18 widths. It would have taken up many, many slides. So  
19 this is a very short summary. We've basically looked at  
20 deepening to between 43- and 55-foot depths. And we  
21 also looked at the widening from 500- to 700-foot for  
22 all the different depths.

23 The tentatively recommended plan  
24 consisted -- consists of deepening to 48-foot channel, a  
25 dredge material management plan, beneficial use plan,

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1 and marsh mitigation. The widening that we had looked  
2 at earlier in the alternatives was not economically  
3 justified, and therefore, it was removed from the study.

4 Here's some more details of the tentatively  
5 recommended plan. As you can see, the entrance channel  
6 would have to be extended out 13.2 miles offshore.  
7 That's what would add the additional length on to the  
8 channel when I said the 64 miles currently, and that's  
9 to get to the proposed depth offshore.

10 Also there's some deepening and widening of  
11 the Taylor Bayou channels and turn -- turning basins.  
12 It's -- it's just -- it's not a full widening, it's just  
13 partial areas that were of concern. It -- also adding  
14 enlarging turning and anchorage basins along the Neches  
15 River channel. And there were some -- there were also  
16 some bend easings on the Sabine-Neches Canal and the  
17 Neches River channel.

18 The long-term management of the dredge  
19 material portion of the tentatively recommended plan  
20 includes the maintenance material, which is going to  
21 increase from on average 405 million cubic yards to  
22 650 million cubic yards. The average annual cost  
23 increase will go from 36 to 68 million. There will be  
24 16 existing upland placement areas for this plan and two  
25 expanded placement areas. Additionally, there are going

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1 to be four of the -- the existing offshore placement  
2 areas, as well as four new offshore placement areas.  
3 And the tentatively recommended plan construction cost  
4 is on the screen, one, uh-huh, one billion. And the  
5 benefit-to-cost ratio is 1.3 to 1, which I know Clayton  
6 pointed out when he had a slide that it -- the  
7 reconnaissance that was a 1.2 to 1 benefit-cost ratio.

8 And now Jan Stokes will present the  
9 environmental portion of the study.

10 MS. STOKES: I'm not as tall. I want you  
11 to know that we are very aware of the sensitive nature  
12 of the wetlands in this area. This -- one of the  
13 greatest challenges of this study was determining what  
14 the potential environmental effects of the -- of the  
15 deeper navigation channel would have on the extensive  
16 wetlands in the area. There are 400, about 440-square  
17 mile of coastal marsh. And on -- and this is in both  
18 Texas and in -- in Louisiana, about 26 square miles of  
19 Cypress-Tupelo swamp and 14 square miles of bottomland  
20 hardwood. And all of this was considered in all of the  
21 environmental work that we did -- did in analyzing the  
22 effects of the this project.

23 There -- the study area also includes  
24 several protected areas. We have portions of the Sabine  
25 National Wildlife Refuge and the Sabine Island Wildlife

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1 Management Area in Louisiana. The study area also  
2 includes all of the Texas Point National Wildlife  
3 Refuge, the Blue Elbow Swamp Wildlife Management Area,  
4 and the Lower -- Lower Neches Wildlife Management Area  
5 in Texas and portions of the J. D. Murphree Wildlife  
6 Management Area, and the McFaddin Wildlife Refuge.

7 We recognize in our studies that -- that  
8 the wetlands in this area have been undergoing high  
9 rates of -- of marsh loss like those in Louisiana and in  
10 the Western Chenier Plain in Louisiana. And -- and more  
11 recently have suffered additional impacts from the  
12 Hurricanes Rita and Ike. Because of the extensive  
13 sensitive wetlands in the area and the large size of the  
14 study area, we chose a collaborative approach in  
15 determining what the impacts would be and eval- -- and  
16 evaluating what would be an appropriate mitigation plan.

17 We formed what we call an "Interagency  
18 Coordination Team," or ICT for short. And all of these  
19 agencies helped us evaluate impacts and plan mitigation.  
20 We have a suite of federal agencies, prominently  
21 U.S. Fish and Wildlife -- U.S. Fish and Wildlife and EPA  
22 and National Marine Fisheries. And then we have a -- a  
23 full suite of agencies from both Texas and Louisiana,  
24 Texas General Land Office, Texas Commission on  
25 Environmental Qual- -- Quality, Texas Parks and

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1 Wildlife, Texas Water Development Board, Sabine River  
2 Authority. In Louisiana we have Louisiana Department of  
3 Natural Resources, Department of Environmental Quality,  
4 and Department of Wildlife and Fisheries.

5 Representatives from all these agencies  
6 helped us in the planning study. We also included a lot  
7 of the -- the managers from all of the -- the wildlife  
8 management areas and refuges in all of our  
9 considerations.

10 From -- Sheri listed some of the  
11 environmental concerns that we had in studying this  
12 project. And we evaluated them with an extensive amount  
13 of technical studies. And I'm not going to go through  
14 each one of these here. But some of the most  
15 significant, are a three -- three-dimensional  
16 hydrodynamic salinity modeling study that helped us  
17 determine what the salinity impacts are likely to be  
18 with the project. We looked at what effects there might  
19 be on the shoreline of a longer navigation -- navigation  
20 channel into the Gulf. We looked at the potential  
21 effects of the new vessel fleets that would be using the  
22 waterway on erosion in certain parts of the channel. We  
23 looked at the potential for additional contaminants. We  
24 modeled placing the material in the new offshore  
25 placement areas, what the effect would be and in -- we

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1 used modeling to determine the size that we needed to  
2 have. Also, very significantly we used ecological  
3 modeling to determine what -- what to -- to quantify  
4 what the environmental impacts would be and to help us  
5 determine what was the amount of mitigation that would  
6 be required. What we -- the -- the modeling that we  
7 used, the -- the model that we used is the same model  
8 that has been used for about 15 years in Louisiana to  
9 model CWPPRA project studies -- CWPPRA projects. And so  
10 it's a well recognized model in this area. We also did  
11 air modeling, air emissions modeling to determine if  
12 there would be any air impacts during construction. We  
13 did surveys for threatened and endangered species and  
14 for cultural resources, archeological sites and -- and  
15 shipwrecks.

16 Do you know what, I -- when I deleted, I  
17 deleted the wrong slide. Okay. I'm going to tell you  
18 the primary impact of this -- that we found was an  
19 increase in salinity caused by the deeper navigation  
20 channel. And this leads to a decrease in marsh  
21 productivity and an increase in marsh land loss. Go  
22 ahead. Skip that one. There we go. And go on.

23 The salinity changes are greatest in the  
24 Sabine Lake, Port Arthur areas, and in the lower reaches  
25 of the Neches and Sabine Rivers. We found negligible

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1 impacts on the -- on the upper rivers north of I-10 and  
2 the habitats for the swamp and bottomland hardwood. If  
3 in -- however, we did identify -- point -- 1-1/2 to  
4 2 parts per thousand increase in the lake and in the  
5 lower -- the lower rivers. There's not much impact at  
6 all in the southern parts near the -- near the  
7 shoreline.

8 We used the -- the ecological model to  
9 estimate what this additional salinity, what the impact  
10 it might have on land loss. And these are the -- the  
11 estimated -- this is the estimated increase in land loss  
12 from the salinity. It was a -- a total of about  
13 938 acres of loss in the study area, 691 acres in  
14 Louisiana, and 247 in Texas. I want to point out that  
15 this is a small, less than 1 percent, increase over what  
16 we would expect in the area that is occurring now.  
17 We -- there is a large land loss that occurs in this  
18 area now, and the additional land loss would be a small  
19 percentage.

20 When -- we are also planning to use a lot  
21 of material beneficially to restore marsh. And when we  
22 do that, we will be building about 2,800 acres of marsh,  
23 which will more than offset the amount of -- of acres  
24 that would be lost with the project. However, all of  
25 this beneficial use of the restoration of marsh is in

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1 Texas. And that leaves the 691 acres in Louisiana  
2 without compen- -- with -- without -- without  
3 compensation. And so we have developed an extensive  
4 mitigation plan to -- to compensate for those -- those  
5 losses.

6 There were some other minor environmental  
7 effects. There is one wetland on the Neches River that  
8 is being taken for the expansion of one of the placement  
9 areas. That would convert 86 acres of marsh to the  
10 placement area. And that -- that is included in  
11 the -- the -- the impacts that I mentioned on the -- on  
12 the slide before. There is also potential for impacts  
13 to threatened and endangered sea turtles with all of the  
14 offshore dredging that we do with the hopper dredges.  
15 So we have developed management measures using draghead  
16 deflectors. Yeah, let's see, monitoring on -- on the  
17 boat during the -- during the dredging and relocation  
18 trolling prior to the dredging to -- to keep the loss of  
19 -- of sea turtles to a minimum. There is wintering --  
20 there is critical habitat for the Piping Plover over  
21 wintering at Louisiana Point. The beneficial use  
22 project that we have there should help stabilize that  
23 shoreline and provide protection -- additional  
24 protection for the habitat that is there. And so we see  
25 that as a long-term beneficial effect.

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1           There are two major beneficial use features  
2 that we're proposing with this project. One is  
3 extensive restoration of degraded marsh on the Neches  
4 River in three areas: Rose City, Bessie Heights,  
5 and -- and Old River Cove. This is -- would result in  
6 over 2,800 acres of new restored emergent marsh in this  
7 area. In the others, Gulf shoreline beneficial use, in  
8 both -- at both Texas Point and Louisiana, this would  
9 use maintenance material to -- and that would be placed  
10 along the shorelines to add material back into  
11 the -- into the -- into the littoral drift and help with  
12 the erosion -- high erosion rate in Texas and just  
13 provided additional stabilizing material for the  
14 Louisiana side.

15           This is a map of the Neches River areas.  
16 Rose City is on the left side, upstream part of your  
17 map. Bessie Heights and Old River are down near  
18 the -- the mouth of -- of the Neches River. The Old  
19 River Cove area is on Texas Parks and Wildlife property  
20 for the most part. And the -- I think the Rose City and  
21 Bessie Heights, these are on private property. The next  
22 slide.

23           These are the locations of the proposed  
24 beneficial use shoreline nourishment projects. They're  
25 three miles on either side of the jetties. They -- each

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1 side would -- would have material placed on the  
2 shoreline every six years. And the material is coming  
3 from Sabine Pass. It's coming from both states, and so  
4 it would be used equally. The quantities would be split  
5 equally between two states. The -- as I mentioned  
6 earlier, the -- all the restoration, the beneficial use  
7 features in -- in Texas, it fully compensates for all  
8 the salinity and land loss impacts of the project in  
9 Texas. It -- it more than compensates for it. But  
10 there are unavoidable impacts in Louisiana that we were  
11 unable to use. We were unable, although we searched  
12 diligently. We were unable to find any beneficial use  
13 projects that would offset those losses.

14 And so we are proposing to restore marsh in  
15 five areas in Louisiana. Two are in the Willow Bayou  
16 Watershed, and three are in the Black Bayou Watershed.  
17 Here are numbers from the restored emergent marsh. In  
18 each of the areas, as you'll see it's nearly 2,800 acres  
19 of restored marsh in total in Louisiana. These are  
20 the -- this is a map of the locations, the loca- -- the  
21 Willow Bayou Watershed is in the -- in the bottom part  
22 of the picture. That's in the Sabine National Wildlife  
23 Refuge. The areas to the north are on private property.  
24 That -- and that's Black Bayou Watershed.

25 And here we are. This is the estimated

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1 completion, this our schedule for the remainder of the  
2 study. The -- the reports were released for -- for  
3 comment on the 24th of December. We -- comments are due  
4 back to us on the 10th of February. And we hope to have  
5 a review of the final EIS in August of this year  
6 followed by approval of a chief's report in September.  
7 Thank you.

8 MR. WILLIAMS: Okay. Before we start, I  
9 would just like to remind everyone to be mindful of the  
10 time again. And to turn off your cell phones or put  
11 them on vibrate if you have them. In addition, just  
12 like remind that this is not a question, ask, and answer  
13 period. It's just a vent for you to say your comments  
14 so we can record them. And your comments will be  
15 addressed in the EIS. Right, Colonel.

16 COL. WESTON: Okay. Thanks, Byron. And  
17 thanks to the folks that made those presentations. As  
18 Byron just mentioned, we're go through the comment  
19 period now. And then we'll start off with public  
20 officials that are here and then go to general public at  
21 large. So first of all, I'd like to invite Mr. Fred  
22 Jackson from Jefferson County Judge's -- County Judge's  
23 Office to --

24 MR. JACKSON: I'll waive comment.

25 COL. WESTON: Okay. And then we also have

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1 Justin Veillon from Congressman Kevin Brady's office.  
2 Like to make a statement?

3 MR. VEILLON: We have no comments at this  
4 time.

5 COL. WESTON: Okay. And then Scott Hall  
6 from the Lower Neches Valley Authority. Care to make a  
7 statement?

8 MR. HALL: No comment.

9 COL. WESTON: All right. That was easy.  
10 Okay. And we're going to go to the -- the public  
11 comment period now, I have my notebook here. Okay.  
12 Again, as Byron mentioned, we'd like you to, you know,  
13 try to -- try your best to limit your comments to three  
14 minutes. That means you, you know, you got to be pretty  
15 succinct with your ideas and your thoughts on the  
16 project. Specificity in -- in what your issue is with  
17 the project would be great. And then Byron's going be  
18 the time keeper. And he'll give us the high sign at  
19 about 30 seconds out. And so if you could close up  
20 that -- that thought that you're trying to express at  
21 that point in time, and then we'll move on to the next  
22 feature -- next speaker, really appreciate it. I would  
23 tell you, three minutes is going to fly by for you. And  
24 it is a pretty short period. But you have -- you have  
25 time. And I'll talk about that a little bit later to

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1 provide us more detailed comments in this process after  
2 tonight's meeting. So -- so you'll have time to expand  
3 on -- on those thoughts and ideas that you express here.  
4 So -- okay. We're going to start with the public  
5 comments. And the first individual I'd like to call on  
6 is Mr. David Corban.

7 MR. CORBAN: Good evening. My name is  
8 David Corban. I'm a lawyer with Fulbright & Jaworski,  
9 L.L.P. And I'm authorized to make the following  
10 comments on behalf of Shell Pipeline, Explorer Pipeline,  
11 Enterprise Products, Kinder Morgan, and the other  
12 members of the Texas Energy Coalition. The Texas Energy  
13 Coalition was founded in 1995. And its membership is  
14 made up of pipeline transmission companies that work  
15 together on issues of common interest.

16 Prior to the release the Sabine-Neches  
17 Waterway Draft Feasibility Report or DFR on  
18 December 24, 2009, there was no prior communication by  
19 the sponsors of the proposed project with the pipeline  
20 industry regarding pipeline relocation issues. This was  
21 the case, despite repeated requests to the Corps of  
22 Engineers for information about the proposed project's  
23 potential impact on the pipeline industry.

24 The DFR that was made available for the  
25 first time in late December, describes a large number of

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1 pipeline relocations that the project will require. The  
2 replacement of pipelines to transport essential  
3 commodities, such as natural gas, not only is costly but  
4 also requires years of advance planning and coordination  
5 and creates operational and engineering burdens for an  
6 industry that has strategic significance to the American  
7 economy. Yet the DFR provides little detail about the  
8 project's impact on pipeline operations, which pipelines  
9 will be need to be relocated, where those pipelines are  
10 located at the present time, or costs are estimated for  
11 pipeline relocations.

12           Given these circumstances, we do believe it  
13 is unrealistic to expect that our members could provide  
14 any meaningful comments on the DFR by  
15 February 10th, 2010. We believe that a more realistic  
16 comment period would allow at least 120 days. And we  
17 therefore respectfully request that the comment period  
18 be extended to at least April 26, 2010. In making this  
19 request, we assume that the Corps will promptly and  
20 definitively identify the pipelines that will need to be  
21 moved, the owner of each such pipeline, and sufficient  
22 information to enable us to understand and respond to  
23 the Corps' estimate of the cost for moving such  
24 pipelines.

25           Based upon the DFR, we do understand the

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1 Corps of Engineers to have acknowledged that this  
2 project, as proposed, would be a deep-draft project for  
3 cost sharing purposes. And further, as required by the  
4 deep-draft cost sharing provision of the Water Resources  
5 Development Act of 1986, that the Corps will recommend  
6 that half of the pipeline relocation cost for this  
7 deep-draft project be borne by the pipeline owner. And  
8 the other half by the local sponsor for the project. We  
9 appreciate the opportunity to comment on this project.

10 COL. WESTON: Okay. Thank you. Next, I'd  
11 like to call Ms. Linda Mathews.

12 MS. MATHEWS: I'm Linda Mathews. I  
13 represent Enterprise Products Company here tonight. I  
14 appreciate the opportunity to comment. We did get the  
15 Feasibility Study the end of December. We have several  
16 departments right now trying to investigate the -- which  
17 pipelines are involved and make sure we have all of them  
18 identified. And we do not believe that we will be able  
19 to get that together by February 10th with any  
20 meaningful comments. And so we would just like to  
21 concur with the Texas Energy Coalition, the request for  
22 a 120-day extension. Thank you.

23 COL. WESTON: Thank you. Next will be  
24 Mr. Ronald Moon.

25 MR. MOON: Yes, my brother and I had a

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1 dredge material containment area No. 11 on Pleasure  
2 Island leased for five years. We did studies with Lamar  
3 University and Texas A&M. Spoil in No. 11 is on the  
4 north end of lake. And if these dredge material  
5 containment areas are built like this design, they can  
6 be beneficial. I'm not against the dredging. I'm just  
7 pointing out the problems that these dredge sites have  
8 from the intercoastal waterway from Galveston all the  
9 way to Mississippi. I realized all these studies that  
10 you've already done. Is there anybody going to be doing  
11 studies as the dredging is done on the impact on the  
12 fisheries? Because we have witnessed shrimp kills, fish  
13 kills right there on the dredge material compartment No.  
14 8 on Pleasure Island. We have got experience in these  
15 areas for 32 years now that we've been watching them,  
16 and fishing in them, and being out there all the time.  
17 We've witnessed all this stuff. Now, you combine those  
18 with all the dredge material containment areas all the  
19 way up in the coastal canal, it's got a devastating  
20 effect on the fisheries. Because high tides and storms  
21 put the fish in these compartments, and they become  
22 trapped, and they die. We've reported it to the Corps  
23 on the island several times, and they come out and say,  
24 "Well, that's going to happen." This is 2010.  
25 Something's got to be done. These areas have to be

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1 managed and watched properly. The placement spoil and  
2 dredge material containment No. 8 is not being watched.  
3 The south effluent ditch was filled completely with  
4 silt. So the last two dredging operations in there, the  
5 maintenance dredging, the water had not enough area to  
6 be released. It all had to go through the north  
7 effluent ditch. And it overflowed the road in two of  
8 their dredgings. That's not supposed to happen. So  
9 something needs to be done, and more management needs to  
10 be done. But it definitely has an impact. And it has  
11 for years. Has there been any marine biologist done  
12 studies on the actual dredge material that's being dug  
13 up off the bottom? What are the organisms involved,  
14 marine life that's being dredged out of the channel?  
15 Because we know what's on the top and bottom of the  
16 soil. There's a lot more I'd like to say, but I don't  
17 have time.

18 COL. WESTON: Thank you. Next will be  
19 Mr. Dennis Moon.

20 MR. D. MOON: I'll waive mine.

21 MR. MOON: Okay. We tried to get his three  
22 minutes, but they wouldn't let me.

23 COL. WESTON: And again, I know these times  
24 are short. Like I said, there's -- there are other  
25 avenues to talk about here shortly to -- to expand on

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1 your -- on your comments for us. Next I'll follow with  
2 Mr. John Whittle.

3 MR. WHITTLE: Thank you. I, too, would  
4 like to suggest that February the 10th is a very short  
5 deadline. And three minutes is a very short time to  
6 comment on a 2,286-page EIS and other documents. My  
7 name is John Whittle. I'm secretary of the Golden  
8 Triangle Audubon Society and sitting on other Audubon  
9 boards. However, I need to stress that these comments  
10 have not yet been endorsed by any Audubon unit, because  
11 there's not been time since we received them.

12 My major concern is the coastal marshes and  
13 wetlands and Sabine Lake and the wildlife that uses them  
14 be protected from the adverse effects of increased  
15 salinities and unnatural increased water flow as from  
16 the Gulf under all conditions, both normal and abnormal,  
17 such as major hurricanes. Fully understand the  
18 beneficial function of coastal marshes and attenuating  
19 the inflow of water from tropical storms and hurricanes,  
20 but equally understand that they will not do this if  
21 they have already been degraded by the time of the  
22 event. This requires that salinity levels not be  
23 allowed to increase, the existing channels not be  
24 exposed to increased exchange with Gulf salt water.

25 The first real issue I have is one of

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1 alternatives. The only alternative to no action that is  
2 comprehensively addressed are those which the only  
3 difference is the depth to which it's proposed to raise  
4 the channel. These are in the larger picture, only  
5 relatively small changes and one major alternative. I  
6 believe the need for and common sense requires a broader  
7 approach to the issues so that an outcome that solves  
8 the problem that is the best possible from an  
9 environmental's perspective can be selected.

10 The first obvious alternative we can  
11 discuss in the draft document, involves an offshore oil  
12 terminal after the manner of the -- the LOOP, the  
13 Louisiana offshore project. This is has been  
14 successful, involved vanishing small environmental  
15 impact during construction and operation. They survived  
16 two or three major hurricanes without environmental  
17 damage, being restored to full commercial operation in  
18 remarkably short times. Such a port could be located so  
19 as to be capable of accommodating the very large crude  
20 carriers up-to-date. While the proposed increase in  
21 depth and channels in Sabine-Neches will only have a  
22 comparatively small effect on the capacity of time  
23 'cause they can be accommodated. This alternative is  
24 dismissed in the draft document with minimal discussion.  
25 Founded in part because the proponents for such a port

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1 have not yet coalesced into a partnership with the  
2 resources and desire to pursue it in an immediate future  
3 and a Sabine-Neches-related location. However, I do not  
4 believe they should prevent it being a third alternative  
5 and a need for EIS. It is also indicated that such a  
6 port would not address the prime objective increasing  
7 the efficiency of the waterway system, because it would  
8 serve only one commodity, namely oil. The nu- -- yet  
9 it's clear, the root cause of any efficiency is the  
10 number of oil tankers using the system. And there is no  
11 significant demonstrated need to use larger drafts. If  
12 the tanker traffic is removed from the waterway system,  
13 basic traffic will be cut to a fraction of its current  
14 volume, and the inefficiency will be no more.

15 I wanted to go on, Mr. Chair -- Chairman,  
16 and say something about the increased effects of  
17 increased water flow up a bigger channel during  
18 hurricanes to the detriment of all the areas around  
19 Sabine Lake, Bridge, City, Orange. The MRGO in New  
20 Orleans was recently closed, and the Corps lost a court  
21 decision who was responsible for the Katrina disaster.  
22 And the Corps was found liable having not looked after  
23 the marshes that surrounded the MRGO and not doing a  
24 good EIS in the first place. I will submit further  
25 comments in writing. And I appreciate the opportunity,

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1       however brief, to address this.

2                   COL. WESTON: Next I'll call  
3       Mr. Richard Harrel.

4                   MR. HARREL: My name is Richard Harrel.  
5       And I'm with a citizen's environmental group, Clean Air  
6       and Water Incorporated. It's been active in this area  
7       for the past 40 years. My statement will be very, very  
8       short in that I will say ditto to Dr. Whittle's remarks.

9                   COL. WESTON: Thank you. Next will be  
10      Mr. James Kaucher.

11                  MR. KAUCHER: I'm Jim Kaucher. I'm the  
12      plant manager at the Sabine Pass LNG. And Cheniere and  
13      Sabine Pass LNG Terminal strongly support the proposed  
14      deepening and widening project of the Sabine-Neches  
15      Waterway. We wish to see our waterway remain highly  
16      competitive with other ports and waterways by being able  
17      to accommodate the larger ships that now carry so much  
18      of the world's trade with a higher degree of safety.

19                  Of course, for our part we are most  
20      interested in promoting the capability of the  
21      Sabine-Neches Waterway to safely handle the world's  
22      largest existing LNG carriers. These ships are nearly  
23      1,150 feet in length and 180 feet in breadth. These  
24      very large LNG carriers, like the other large ships  
25      trading into our area, are presently limited to a

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1 40-foot freshwater depth when entering the  
2 Sabine-Neches. Many such vessels would come in deeper  
3 if the water -- waterway channels were deeper and wider.  
4 Any deepening or widening will make our waterway a more  
5 competitive for business that uses the larger ships and  
6 automatically adds additional safety margins for the  
7 existing shipping already present.

8 Cheniere supports the project and the  
9 U.S. Army Corps of Engineers and hopes the deepening and  
10 widening work will proceed without delay.

11 COL. WESTON: Thank you. Next will be  
12 Mr. Chris Fisher.

13 MR. FISHER: My name is Chris Fisher. I'm  
14 the port director of the Port of Beaumont. We manage  
15 the public docks and wharves of the Port of Beaumont.  
16 We are located at the very top end of the Sabine-Neches  
17 Waterway. So the transportation efficiency of the  
18 waterway is very important to us. Our sole mission is  
19 to generate and create jobs for our area and generate a  
20 positive economic impact.

21 The public docks are more directly a small  
22 portion of the total economic activity that takes place  
23 along the waterway. We handle about 200 deepwater  
24 vessels, about 25,000 railcars, and 15,000 trucks  
25 through the port, annually 3 to 4 million tons. This

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1 generates about 2,000 jobs annually, about 150 million  
2 in economic impact.

3 The transportation efficiency that this  
4 channel -- that this project provides is greatly needed  
5 to the Port of Beaumont, not only to allow us to grow  
6 and satisfy our mission of -- of generating creating  
7 jobs, but we're also the number one strategic port in  
8 the country and handle more military cargo than any  
9 other port in the U.S., and second in the world in  
10 support of our troops in national defense. Therefore,  
11 the transportation and navigational safety on the  
12 waterway that this project provides is certainly very  
13 important to us, and the Port of Beaumont has been a  
14 strong supporter of this project since its inception.  
15 And we strongly applaud the work the Sabine-Neches  
16 Navigation District and the Corps has done to bring the  
17 project to this point. Thank you.

18 COL. WESTON: Thank you. Next will be  
19 Ms. Gina Dorsey.

20 MS. DORSEY: Good evening. I'm Gina Dorsey  
21 from Kinder Morgan. I concur with the comments that  
22 were presented by Fulbright & Jaworski. My question is:  
23 Of course, there are numerous pipeline companies  
24 affected by this project. And of course, we would have  
25 to go through a series of planning and design and all

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1 that to get the pipelines removed or relocated as part  
2 of this project. And my question is more on the -- on  
3 the extent of the permitting process for that.  
4 Typically we had to go through surveys and planning  
5 associated with those permits. Will the permits for the  
6 pipelines that we have to remove or relocate be somewhat  
7 relaxed or automated if they are done as part of this  
8 project? That's my comment or question.

9 COL. WESTON: Okay. And -- and again,  
10 we're not going answer the questions --

11 MS. DORSEY: Right.

12 COL. WESTON: Tonight. But -- but we'll  
13 take a look at those and -- and get the appropriate  
14 answers. I don't have anymore cards here. So the first  
15 thing I'd ask, is there anybody here who didn't a chance  
16 to turn in a card that would like to stand up and make  
17 a -- make a comment on the -- on the project? Okay. So  
18 we've gone through the list of cards.

19 And -- and again, I tell you, we welcome  
20 your comments and -- and -- and constructive criticisms  
21 of the work that we've done. And we look forward to  
22 seeing those in further detail if you didn't get a  
23 chance to -- to obviously make full comments. And we  
24 understand it's a very technical report. It's a -- and  
25 very lengthy. And so we look forward to seeing the

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1 further comments that you may have as we go through  
2 the -- the public process here.

3 In conclusion, the written comments on the  
4 Draft Feasibility Report, the draft DIS, the draft DIS  
5 for the designation of the ocean dredge material  
6 disposal sites currently must be received on or before  
7 February 10th, 2010, which is the conclusion of the  
8 45-day comment period that began on December 24th of  
9 2009. Comments on the air conformity determination must  
10 be received on or before February 26th, 2010.

11 In closing, I'd like to thank the  
12 Sabine-Neches Navigation District for their efforts and  
13 assistance, not only as partners for the Feasibility  
14 Report to date, but for their efforts and assistance for  
15 setting up this meeting for us here. And I'd like to  
16 thank each and every one of you for your attendance and  
17 expressing your interest in the outcome of this project.  
18 So again, we look forward to getting your comments  
19 further clarified. And we -- and we hope folks that  
20 didn't get a chance to come tonight will also provide us  
21 those inputs. The information on how to do that is  
22 in -- is in some of the brochures in the back. So thank  
23 you very much for coming out. And this concludes the  
24 meeting, and it is adjourned. Thank you.

25 (The meeting concluded at 8:07 p.m.)

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1 THE STATE OF TEXAS :  
2 COUNTY OF JEFFERSON :

3 I, ADA V. CHRISTY, a Certified Shorthand  
4 Reporter in and for the State of Texas, do hereby  
5 certify that the facts as stated by me in the caption  
6 hereto are true; and same were reduced to typewriting  
7 under my direction; that the above and foregoing meeting  
8 as set forth in typewriting is a full, true, and correct  
9 transcript of the proceedings had at the time of taking  
10 of said meeting.

11 I further certify that I am not, in any  
12 capacity, a regular employee of the party in whose  
13 behalf this meeting is taken; and I certify that I am  
14 not interested in the cause, nor of kin or counsel to  
15 either of the parties.

16 GIVEN UNDER MY HAND AND SEAL OF OFFICE, on  
17 this, the \_\_\_\_\_ day of February, 2010.

18  
19  
20   
21 \_\_\_\_\_  
22 ADA V. CHRISTY, CSR, RPR



22 Texas Certification No.: 5141  
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