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**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-3303

January 21, 2016

The Honorable Jo-Ellen Darcy  
Assistant Secretary of the Army (Civil Works)  
Department of Defense  
108 Army Pentagon  
Washington, DC 20310-0108

Lieutenant General Thomas P. Bostick  
Commanding General & Chief of Engineers  
U.S. Army Corps of Engineers  
441 G St., NW  
Washington, DC 20314-1000

Dear Assistant Secretary Darcy and Lieutenant General Bostick:

I am writing to request that you direct sufficient unallocated fiscal year 2016 funding to Morehead City Harbor, North Carolina so that it can be dredged to its authorized depth.

As you know, the federal channel at Morehead City is authorized at 600 feet wide and 45 feet deep. However, as the Corps and harbor users know, channel conditions can deteriorate quickly. Last year, harbor pilots were forced to issue draft restrictions limiting vessels to a draft of 35 feet. In fact, the Corps' December 2015 survey shows many parts of the channel shoaled in to 35 to 38 feet.

The President's fiscal year 2016 budget included \$8,796,000 for the project. While that is helpful, it is insufficient to return the channel to its authorized depth. In fact, a few weeks ago the Corps' Wilmington District opened bids on their 2016 Morehead City Harbor dredge project. The bids came in at \$11.7 to \$12.8 million – roughly \$3 million above what the Corps has available.

To allow the Corps to address situations like these, Congress added to the fiscal year 2016 omnibus appropriations bill several unallocated pots of money for different project categories. In particular, \$250 million was added for "Deep-Draft Harbors and Channels." Morehead City Harbor should be eligible for funding from this pot.

Congress also directed the Corps to consider several criteria when deciding which projects to fund from these pots. As outlined below, Morehead City Harbor should rank highly based on these criteria.

1. **Ability to complete ongoing work maintaining authorized depths and widths of harbors and shipping channels** – As stated above, conditions have deteriorated in recent years and the channel is far from its authorized depth and width of 45' x 600'. As I understand it, supplemental FY16 funds in the neighborhood of \$12.5 million could return the entire channel to its authorized dimensions.
2. **Ability to address critical maintenance backlog** – As Corps surveys shows, parts of the channel are shoaled in up to 10 feet below the authorized depth of 45'. Supplemental FY16 funds would allow this maintenance backlog to be addressed.

3. **Presence of U.S. Coast Guard** – The United States Coast Guard has a longstanding presence in Morehead City. Coast Guard Sector North Carolina operates out of Fort Macon, which is adjacent to the harbor. The Coast Guard depends on reliable access through the harbor to conduct homeland security, search and rescue, and Aids-to-Navigation operations in the Atlantic Ocean off North Carolina's Crystal Coast.
4. **Extent to Which the Work Will Enhance Economic Development** – A recent economic study showed \$1.1 billion in annual economic impact attributable to the port at Morehead City. Activities at the port annually contribute over \$38 million in sales, property, corporate and personal taxes to state and local governments. They also support 3,700 jobs. That same study showed that just a 15% increase/decline in port activity would cause a \$100 million increase/loss in economic impact. Shoaling conditions threaten much of this economic activity. However, if the channel were restored to its authorized dimensions, these benefits could be enhanced.
5. **Extent to Which the Work Will Promote Job Growth** – See explanation d) above.
6. **Number of Jobs Created Directly By the Funded Activity** – See explanation d) above.
7. **Ability to Obligate the Funds Allocated Within the Fiscal Year** – Given the need, I am confident additional federal funds could be obligated to the inlet this fiscal year.
8. **Ability to Complete the Project** – Taking the project to its full authorized depth this fiscal year would be contingent on dredge availability, bids received, environmental windows and other factors, but with sufficient supplemental funding, this could be achieved.
9. **Risk of Imminent Failure or Closure of the Facility** – As mentioned previously, significant portions of the channel are now shoaled.
10. **For Harbor Maintenance Activities** –
  - a) **Total Tonnage Handled** – 3,425,659 short tons
  - b) **Total Exports** – 1,051,004 short tons
  - c) **Total Imports** – 690,717 short tons
  - d) **Dollar Value of Cargo Handled** – Unavailable at this time
  - e) **Energy and National Security Needs** – The harbor serves Eastern North Carolina national security assets including Marine Corps Base Camp Lejeune and USCG Station Fort Macon
  - f) **Designation as a Strategic Seaport** – Yes
  - g) **Lack of Alternative Means of Freight Movement** – Yes
  - h) **Savings Over Alternative Means of Freight Movement** – Significant

As you can see, Morehead City Harbor meets the criteria laid out by Congress very well. It is exactly the type of project that Congress had in mind when it provided the Corps with additional pots of fiscal year 2016 funding. I strongly urge you to give it all due consideration. If I can answer any questions, please don't hesitate to contact me. I look forward to hearing your response. And as always, thank you for your service.

Sincerely,



Walter B. Jones  
Member of Congress