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GULF COUNTY RESTORE ACT PROJECT PRE-PROPOSAL FORM

Project Name: Port Channel Dredging

Submitting Entity: Port St. Joe Port Authority

I. Please select one or more eligible activity that the project is classified under:

- Restoration and protection of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region.
- Mitigation of damage to fish, wildlife and natural resources.
- Implementation of a federally approved marine, coastal or comprehensive conservation management plan, including fisheries monitoring.
- Workforce development and job creation.
- Improvements to or on State parks located in coastal areas affected by the Deepwater Horizon oil spill.
- Infrastructure projects benefitting the economy or ecological resources, including port infrastructure.
- Coastal flood protection and related infrastructure.
- Planning assistance.
- Promotion of tourism and seafood in the Gulf Coast region.

II. Please provide an executive summary of the project. Describe/quantify the economic (jobs, infrastructure, tourism, etc.) and environmental benefits (habitat, quality, knowledge, long-term sustainability, etc.).

The Port Authority requests a grant of \$5 million which will be the local contribution to a funding package of upwards of \$25 million to restore maintenance dredging of the Port St. Joe ship channel. The last maintenance dredging was performed in 1985-86 to provide the authorized depth of 35'. The limiting depth today is approximately 25'; at that depth vessels cannot be loaded at Port St. Joe.

The dredging will be performed only if there are specific job creation projects committed in writing to utilize the Port and that are dependent on the dredging. At the time those commitments are made public the job creation will be quantified. In addition to the jobs those specific commitments bring, there will be other projects that can be sought and secured once the dredging is complete and the port becomes operational. The Port will be an economic engine for the region.

Potential customers must be assured that the 35' depth will be restored within a reasonable amount of time or they will not commit to Port St. Joe. The \$5 million being sought will advance the project schedule and demonstrate local participation.

III. Please provide a cost summary/budget. Detail any matching/cooperative funds available for use, and any cooperative support from governmental or other agencies.

The budget for the maintenance dredging is expected to be in the \$20-\$25 million range. The final budget will be determined when a Dredge Material Management Plan (DMMP, further discussed below) is completed.

The US Army Corps of Engineers is the agency that typically performs maintenance dredging. As their budgets have become constrained and costs have increased over the years, they have been reducing the number and types of projects that they undertake. In the case of Port St. Joe, the dredging will be essentially a new project for which new funding above their customary maintenance budget levels must be sought. That is a very lengthy process that could take many years – too long for the current customer opportunities to wait. The Corps therefore may not be relied upon to fund the entire initial dredging.

The Port Authority propose a process that has proven successful at advancing dredging projects at other ports in Florida and that is the securing of funds from a combination of sources. The \$5 million requested in this pre-proposal will be pledged as a local match for the dredging. Private funds will also be sought, including from the St. Joe Company and possibly shipping interests. Consideration is being given to pursuing other RESTORE Act funding resources (non-County), as well. Governor Scott has pledged state funds to other Ports' dredging projects when a net benefit to the state has been demonstrated in the form of jobs and economic impacts. With the availability of funds from these various non-federal sources, either the Port Authority or the Corps will be able to commit to the project within a time frame that meets the requirements of the shippers.

IV. Please provide a timeline for project completion. Explain the technical and environmental feasibility (including any permitting considerations) of the project.

Permitting of the dredging project is expected to take one year and implementation and completion another year.

All areas to be dredged – the ship channel, harbor channel, and turning basin – are within the Congressional authorization for the Port of Port St. Joe. All have been previously impacted by dredging and the project is for maintenance which significantly lowers the threshold for receiving environmental permits.

The technical issues with this project will be addressed through the Dredge Material Management Plan (DMMP) that includes the sampling and analyses of sediments that have accumulated within the channel. The nature of those sediments determines whether they must be disposed of upland or may be used for beach renourishment. The DMMP also establishes disposal sites. Both of these issues are significant factors in determining the cost of the project. Neither of these issues will adversely affect the technical or environmental feasibility of the project. Maintenance dredging is routinely permitted and performed.

V. Please provide the qualifications of the Submitting Entity, the financial feasibility/sustainability and the economic feasibility and sustainability of the project (probability of success, etc.).

The Port Authority was established in 1955 in Florida Statutes as a “...public agency for the development of commerce and the port” at Port St. Joe, Florida.

As noted above, the project will not be undertaken unless there are customer commitments in writing that support the project, thus insuring its economic feasibility. Also, the accomplishment of the dredging will create new and recurring opportunities for shippers, manufacturers, logistics firms, and many others. Ports are economic engines that attract other industries. They are multi-generational assets around which communities/cities grow because of the benefits they bring: commercial activity, transportation, and, most importantly, jobs. Sustainability is affirmed by the fact that most major coastal cities thrived because they had a port: Mobile, New Orleans, Savannah, Tampa, etc.

There is extremely high confidence of success and there are many factors that justify that confidence:

In the private sector, the St. Joe Co. is now actively pursuing port development on the mill site and related properties. They have (1) agreed with the Port Authority in an MOU to work together in the effort, (2) committed their lands for port development, (3) changed the mill site land use from Planned Unit Development (P.U.D.) to Port Industrial in the City’s Comprehensive Plan, (4) included their properties in the planning area of the new Port Master Plan now being drafted, (5) prepared marketing literature for the port, and (6) engaged the Bank of Montreal’s Infrastructure Group to market the port opportunity, seek private partners/investors, and prepare a financing plan to develop an operational seaport. That group has brought the customer opportunities discussed above and continues to seek others. Their work in the marketplace affirms that the opportunity to revitalize the Port of Port St. Joe is very good and feasible.

At the state level, the Governor and Legislature have recognized the economic benefits that Florida’s ports bring to the state and are overwhelmingly supportive of growing trade and ports’ capacity. That has been reflected in the funding they have provided to other ports and the willingness they have expressed in funding Port St. Joe.

That is also reflected in Florida's Department of Environmental Protection whose leadership has been proactive with port projects and has contacted the Port of Port St. Joe to offer their assistance with new projects; this bodes well for the project's permitting requirements.

At the local level, the local leadership, including the County Commission, is supportive of the Port development, seeing it as the best opportunity to bring new, clean industry and well paying jobs back to the area.

Internationally, the growth in global trade shows no sign of diminishing. The demand for port facilities, which are a country's gateways, continues to grow. In the western hemisphere the growing economies in Central and South America represent a particularly good opportunity for Port St. Joe. They are a growing market for American goods that could move through the Port and they are developing resources and manufacturing centers that could ship imports into the US through the Port.

VI. Please provide the anticipated results of the project, and whether it is included in a City of Port St. Joe, City of Wewahitchka or Gulf County Comprehensive and Mitigation Plan?

The project of Port development and revitalization at Port St. Joe, of which this maintenance dredging project is a vital component, is included in the City's and County's Comprehensive Plans and is included in the Port Authority's Port Master Plan.

The project is one of two absolutely vital infrastructure projects on which the success of the Port revitalization is dependent. The other, being the repair and reactivation of the AN Railway that provides connectivity to the inland US, has been funded by a State of Florida grant with private sector matching funds and is underway. The accomplishment of the ship channel dredging, for which these RESTORE Act grant funds are being sought, will provide connectivity to the rest of the world via its shipping lanes.

Submitted By:



Signature

Port St. Joe Port Authority

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Date: February 28, 2013

BOARD OF COUNTY COMMISSIONERS
GULF COUNTY, FLORIDA
RESTORE ACT COMMITTEE (R.A.C.)
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**PUBLIC RECORDS POLICY AND PUBLIC ACCESS ACKNOWLEDGMENT FOR
GULF COUNTY RESTORE ACT APPLICANTS**

I, Tommy Pitts, the undersigned authority and/or representative of the entity the Port St. Joe Port Authority and or the individual who has submitted the Gulf County RESTORE Act Proposal/Pre-Proposal titled Port Channel Dredging hereby acknowledge, consent and accept the following representations that coincide with my/our submission for consideration, evaluation and possible recommendation and approval by the Gulf County Board of County Commissioners for funding from the RESTORE Act distribution that strictly complies with the guidelines and regulations set forth under the Restoration and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012:

1. I/We am the authorized representative of the application/pre-proposal referenced above.
2. I/We have thoroughly reviewed and familiarized myself and/or my entity on which I have submitted the application/pre-proposal on behalf of with the entirety of the Gulf County Public Records policy.
3. I/We have thoroughly reviewed and familiarized myself and/or my entity on which I have submitted the application/pre-proposal on behalf of with the entirety of the Florida Statute Chapter 119 which controls and permits public access to information.
4. I/We hereby acknowledge, consent and agree to the controlling policies and statutes above as well as the free and open exchange of any and all submissions provided hereunder this application/pre-proposal and all information exchanged hereafter including but not limited to further amendments to these proposals as well as surveys, studies, research, data production, books, drawings, property records, work papers, county owner lists, files, forms, reports, accounts, documents, manuals, handbooks, instructions, printouts relating in any manner for the production of the application. In addition, all papers, notes, data, reference material, documentation, programs, printouts, and all other media and forms of expression that in any way include, incorporate or reflect any confidential information of what ultimately shall become the Gulf County plans for use and application of the RESTORE Act funding.
5. I/We acknowledge, agree and fully consent to cooperate with the appointed Gulf County RESTORE ACT committee, county officials and staff as a continuing obligation and condition of final review for this RESTORE Act application/pre-proposal.
6. I/We have submitted this acknowledgment to Gulf County RESTORE Act Committee and the Gulf County Board of County Commissioners for the purpose and intent of receiving an evaluation, review and possible recommendations for anticipated funding from the Restoration and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012.



Signature of RESTORE Act Applicant

Date: 2/28/2013

Tommy Pitts
Printed Name