



US Army Corps
of Engineers
New York District

Briefing on NY/NJ Harbor Deepening Projects and Consolidation Opportunities



We Can See the Future From Here...

A Vision for the NY & NJ Harbor Estuary

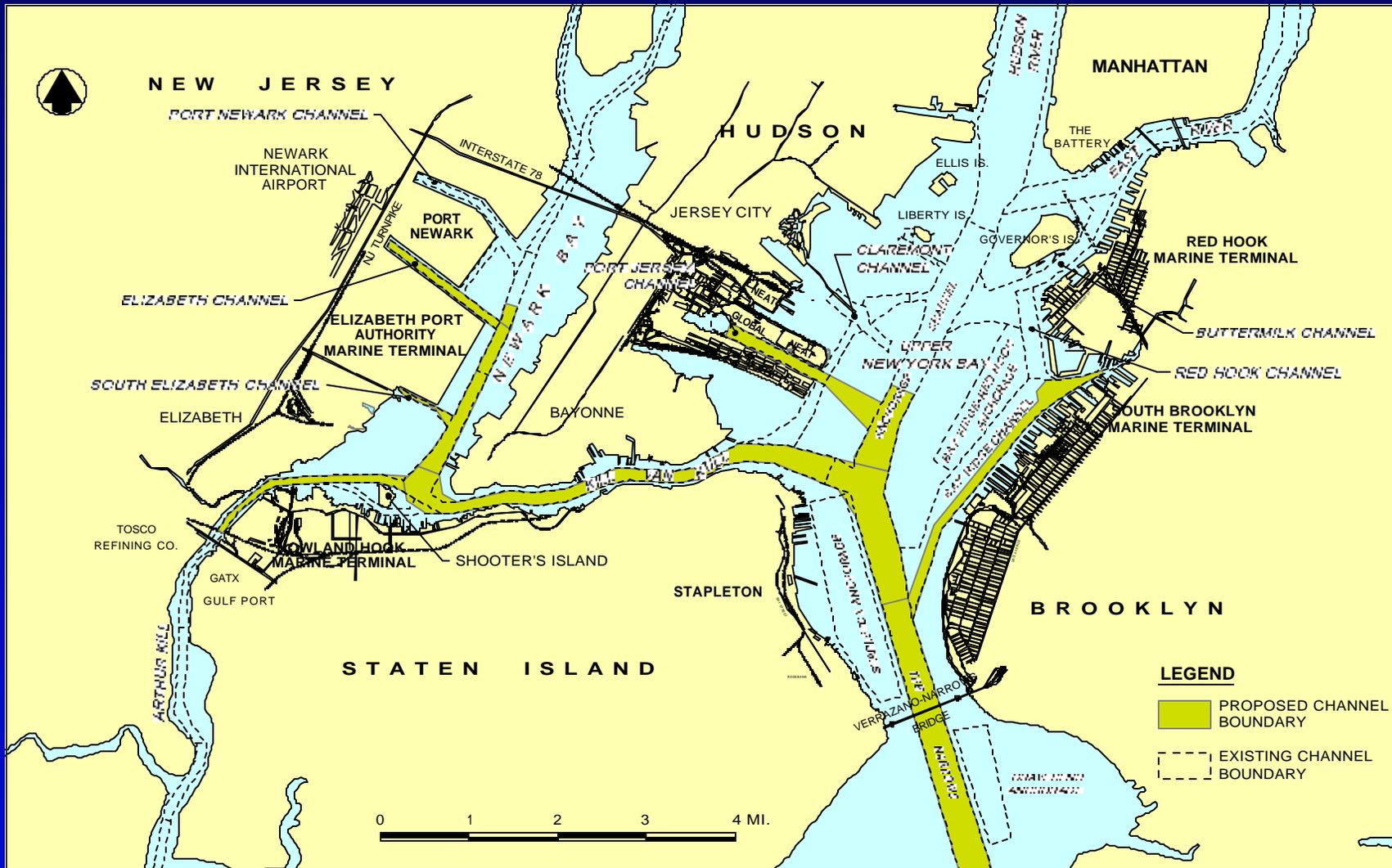


Goal: A thriving economic engine that is environmentally friendly, technologically advanced and responsible to the local community



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The Port of NY & NJ





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Kill Van Kull & Newark Bay Channels (45 foot Project)

- **DESCRIPTION:** Channel deepening from 40 ft to 45 ft.

- **STATUS of NINE CONSTRUCTION AREAS:**

- ◆ Completed: Areas 1, 2, 3, 4a & 7

- ◆ On-Going Work:

- ◆ Area 6 (July 04 Completion)
- ◆ Area 5 (Dec 04 Completion)

Note: Includes 50' Permitted work

- ◆ Planned Contract Awards

- ◆ Area 8 – FY 03
- ◆ Area 4b- Late FY 03

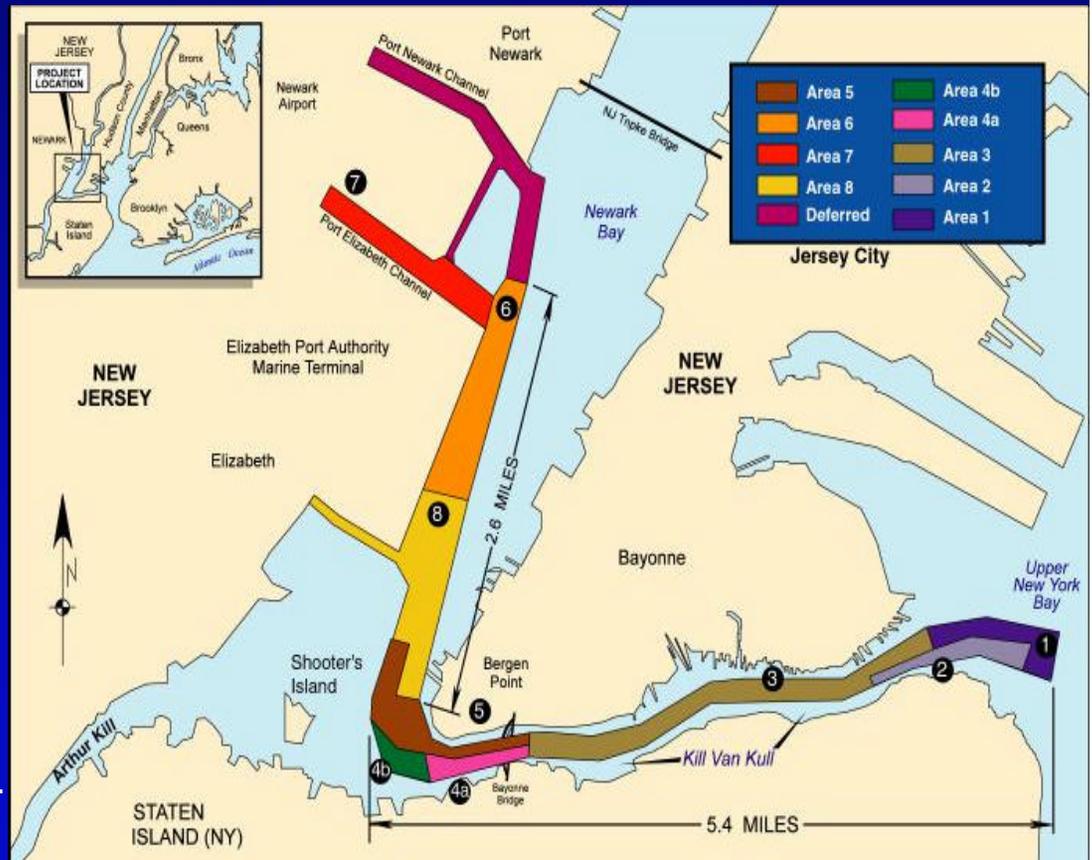
- **PLANNED COMPLETION:** Dec 2004

- **TOTAL PROJECT COST:** \$733 million

- **SPONSOR:** Port Authority of NY & NJ

- **POINT-OF-CONTACT:** Harold Hawkins P.E.

Project Manager, 212-264-9092



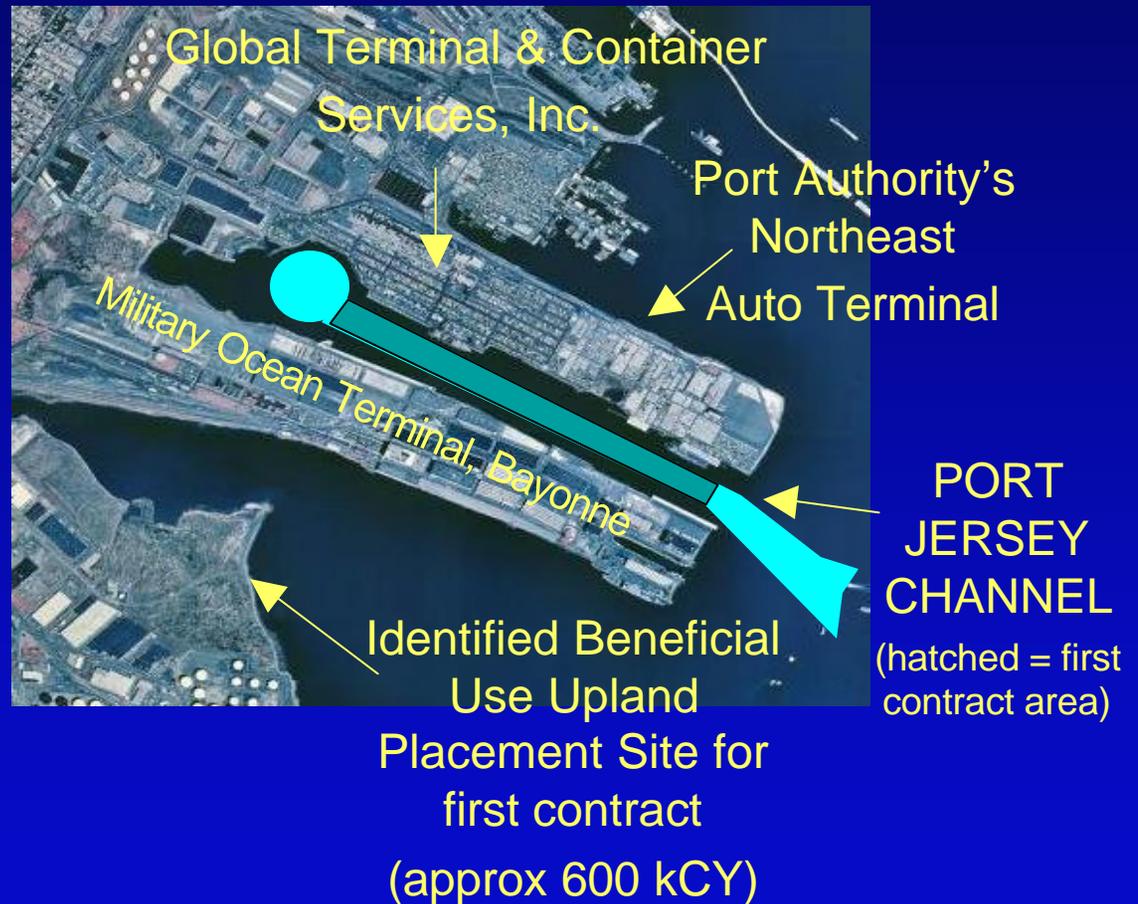


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Port Jersey Channel

(41-foot Project)

- **DESCRIPTION:**
 - ◆ Channel Deepening from 35/38 ft to 41 ft.
- **STATUS:**
 - ◆ Project Cooperation Agreement – July 02
 - ◆ Anticipated First Construction Contract Award – Oct 02
- **PLANNED COMPLETION:** 2005
- **TOTAL PROJECT COST:** \$119 Million
- **SPONSORS:** NJ Office of Maritime Resources (primary) & Port Authority of NY & NJ (limited sponsor)
- **POINT-OF-CONTACT:** Bryce Wisemiller, Project Manager (212) 264-5797

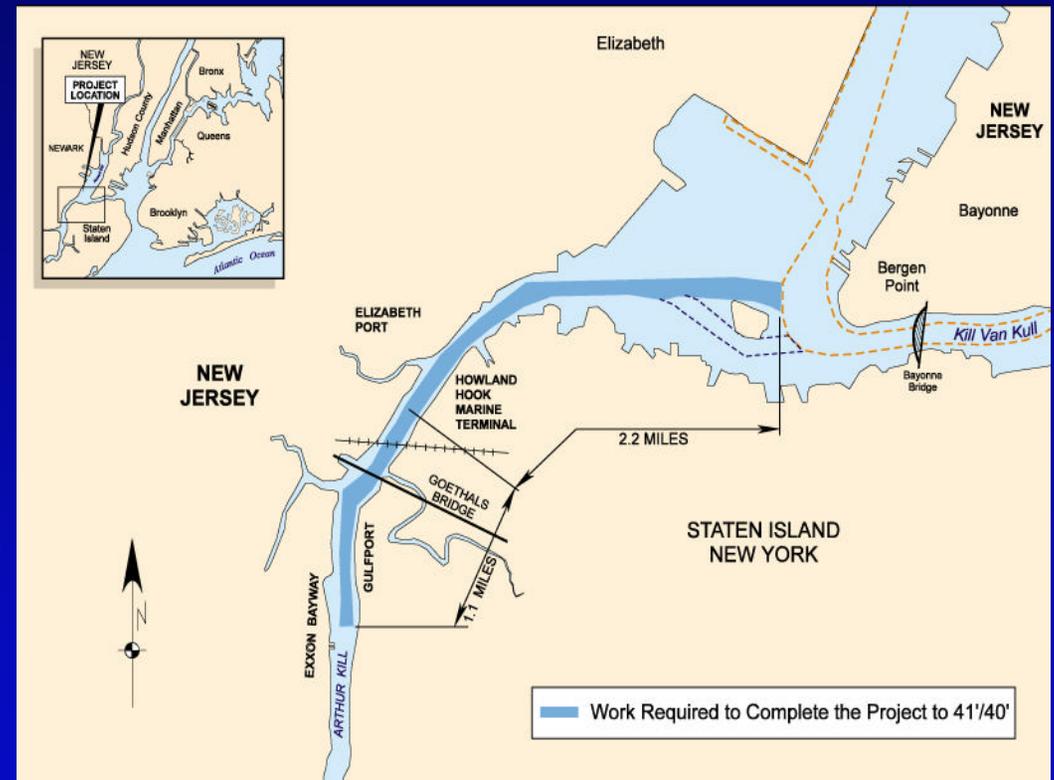




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Arthur Kill Channel Howland Hook Marine Terminal (41/40 foot Project)

- **DESCRIPTION:**
 - ◆ Channel Deepening from 35 ft to 41/40 ft
- **STATUS:**
 - ◆ Executed Project Cooperation Agreement – Jul 02
 - ◆ First Construction Contract Award anticipated – Dec 02/ Jan 03
- **PLANNED COMPLETION:** 2006
- **TOTAL PROJECT COST:** \$402 Million
- **SPONSOR:** Port Authority of NY & NJ
- **POINT-OF-CONTACT:** Michael Millard, Project Manager, 212-264-2054





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New York & New Jersey Harbor (50-foot Project)

- **DESCRIPTION:** Deepen the Ambrose Channel to 53 ft, the Anchorage, Bay Ridge, Port Jersey, Kill Van Kull, Newark Bay and Arthur Kill to 50 ft (52 ft in rock)
- **STATUS:**
 - ◆ Final Report/FEIS – Dec 99
 - ◆ Chiefs Report signed May 2000
 - ◆ WRDA Authorization – Dec 2000
 - ◆ Design Agreement executed Jan 01
 - ◆ PCA negotiations began – June 02
 - ◆ Construction scheduled to begin in FY 2004
 - ◆ Consolidation efforts being integrated into overall plan
- **FUNDING:**
 - ◆ Total Project Cost: \$1.8 billion
 - ◆ Total PED Cost: \$20 million
- **SPONSOR:** Port Authority of NY & NJ
- **POINT-OF-CONTACT:** Tom Shea, Project Manager, 212-264-5570





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Consolidation of Harbor Deepening Activities

Challenge: to develop a construction sequence and strategy to combine certain dredging activities to achieve a 50' harbor, while meeting customer commitments and protecting relevant public interests and the environment.





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Congressional Direction

From Conference Report Language, Energy and Water Development
Appropriations, FY 2002:

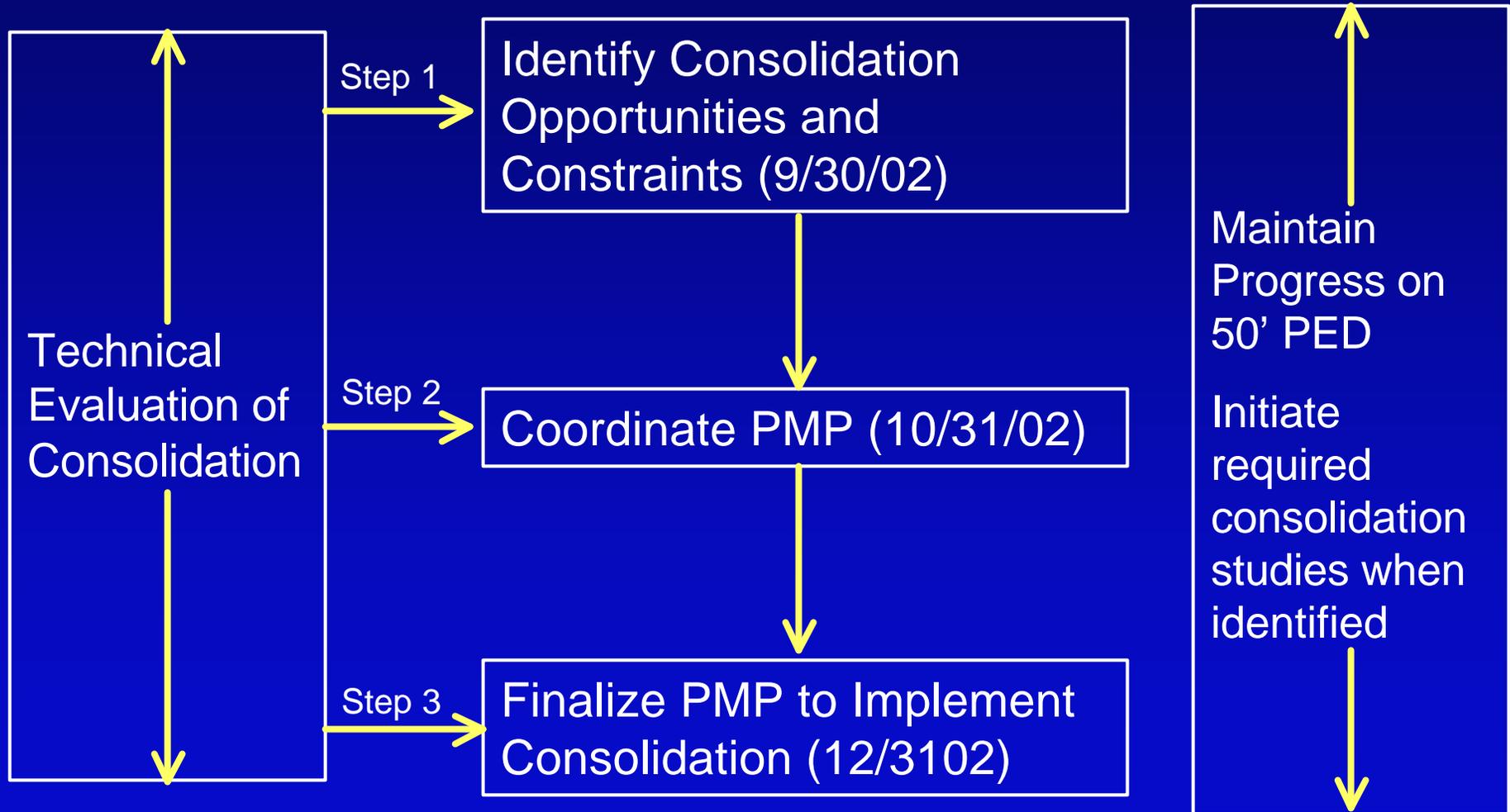
The conferees are aware of the urgent need to facilitate efficient construction of improvements for New York and New Jersey Harbor to meet the needs of navigation interests and save significant Federal and non-Federal resources.

Therefore, the conferees direct the Secretary of the Army to combine the previously authorized [KVK, AK, PJ and HDP] into a single project designated the New York and New Jersey Harbor, ... The Secretary of the Army is directed to use these funds to continue construction of the combined New York and New Jersey Harbor Project to the depths authorized in the Water Resource Development Act of 2000.”



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Strategy to Identify and Implement Consolidation Opportunities (Ongoing during 2002)





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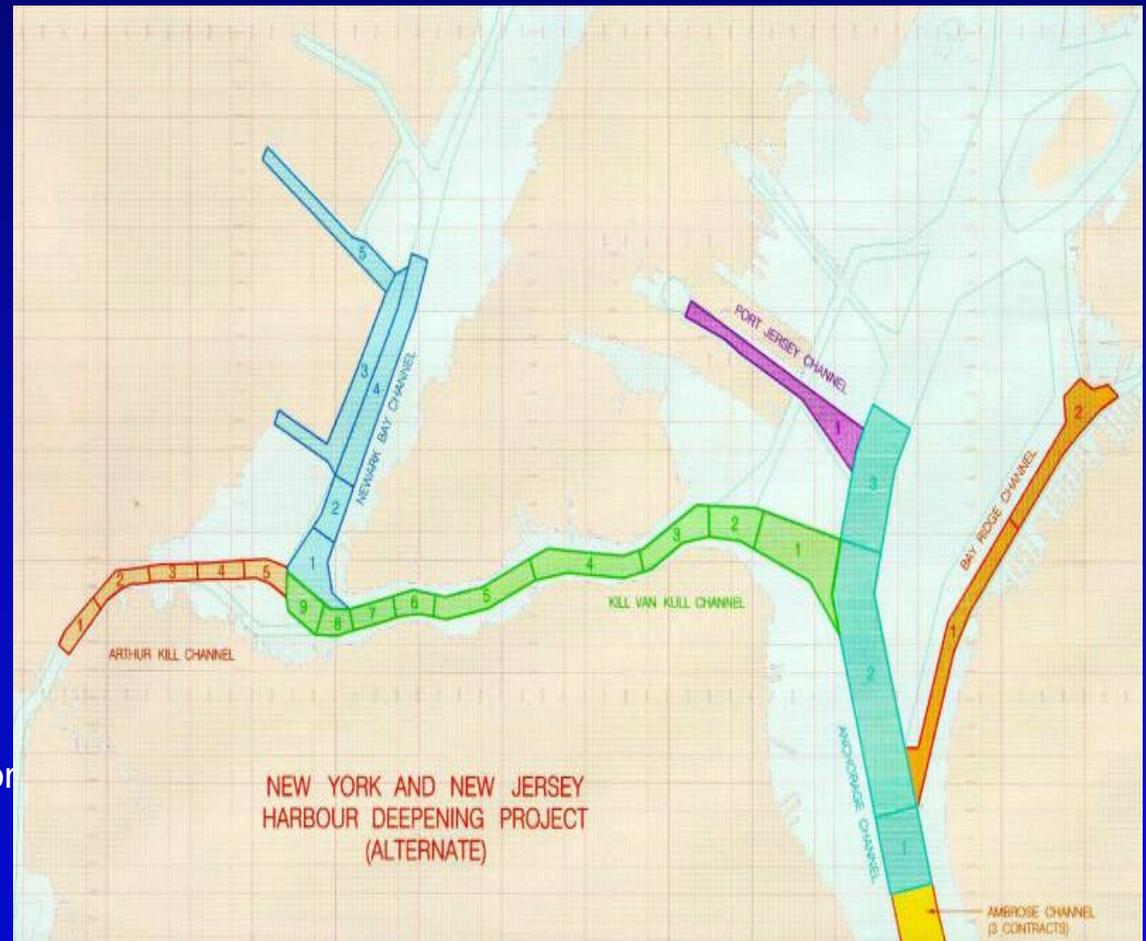
Consolidation Opportunities

● Vertical Consolidation:

- ◆ Combine existing projects into a single project/dredge in one lift
- ◆ Increases productivity; reduces overall time
- ◆ Decreases mobilization costs, supervision costs
- ◆ Environmental and Social benefits
- ◆ Channels for Consideration:
 - ◆ Kill Van Kull
 - ◆ Port Jersey
 - ◆ Arthur Kill

● Horizontal Consolidation

- ◆ Reduces the number of contract areas
- ◆ Increases productivity; some time savings
- ◆ Decreases mobilization, supervision and administration costs
- ◆ Provides additional flexibility in navigational safety
- ◆ All Channels Considered





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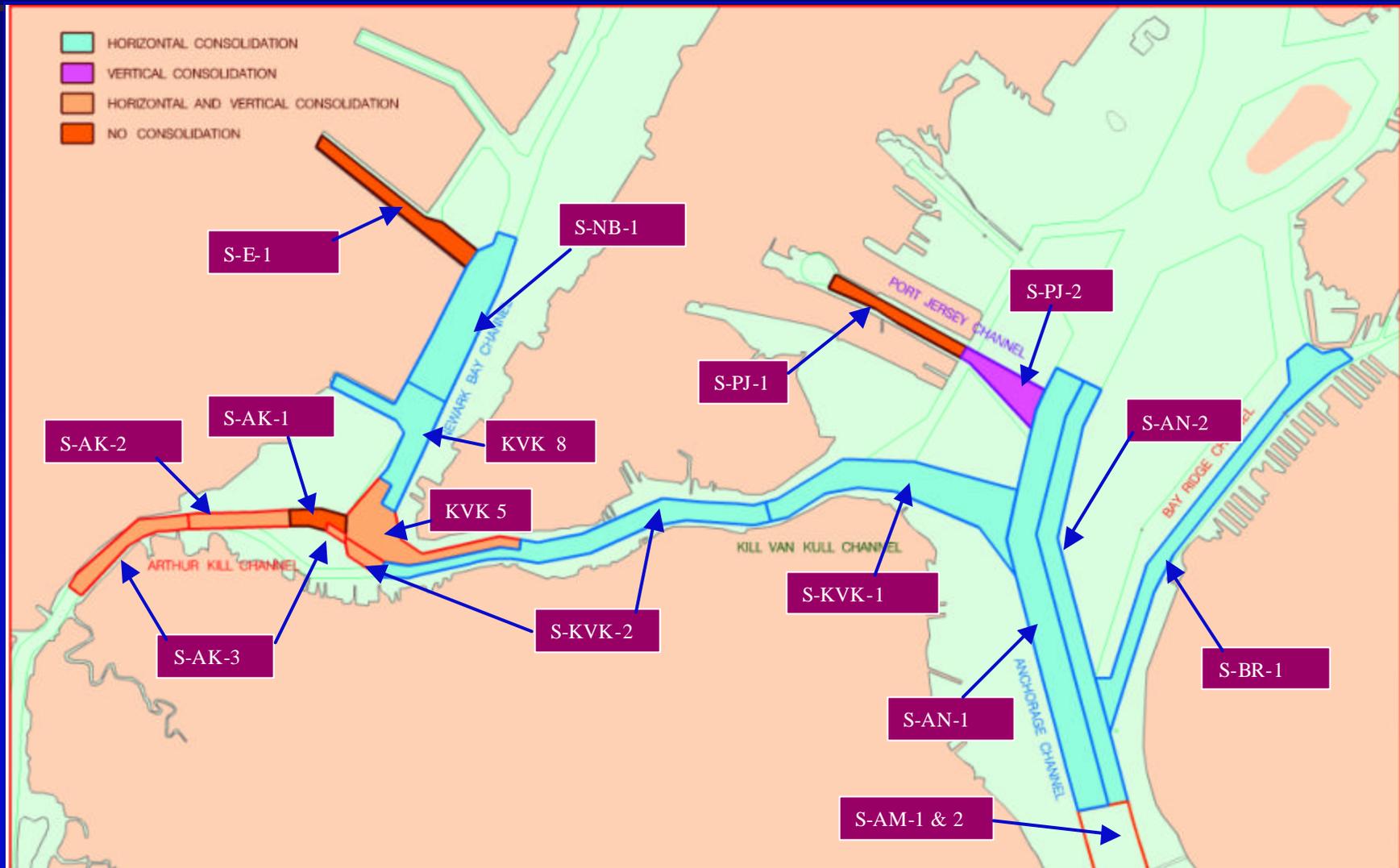
Preferred Consolidation Plan

- KVK area 5 as a PANYNJ permit.
- Port Jersey Area 2 (the outer channel) (35 ft to 50 ft).
- KVK area 4b (40 ft to 50 ft) combined with KVK Area 4a (45 ft to 50 ft) and part of KVK Area 3 (45 ft to 50 ft).
- Horizontal consolidation(reduction in contract areas) of the Ambrose, Anchorage and Bay Ridge Channels
- Estimated Cost Savings: \$70M - \$100M
- Preliminary total schedule savings: 2 years



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Proposed Consolidation Plan

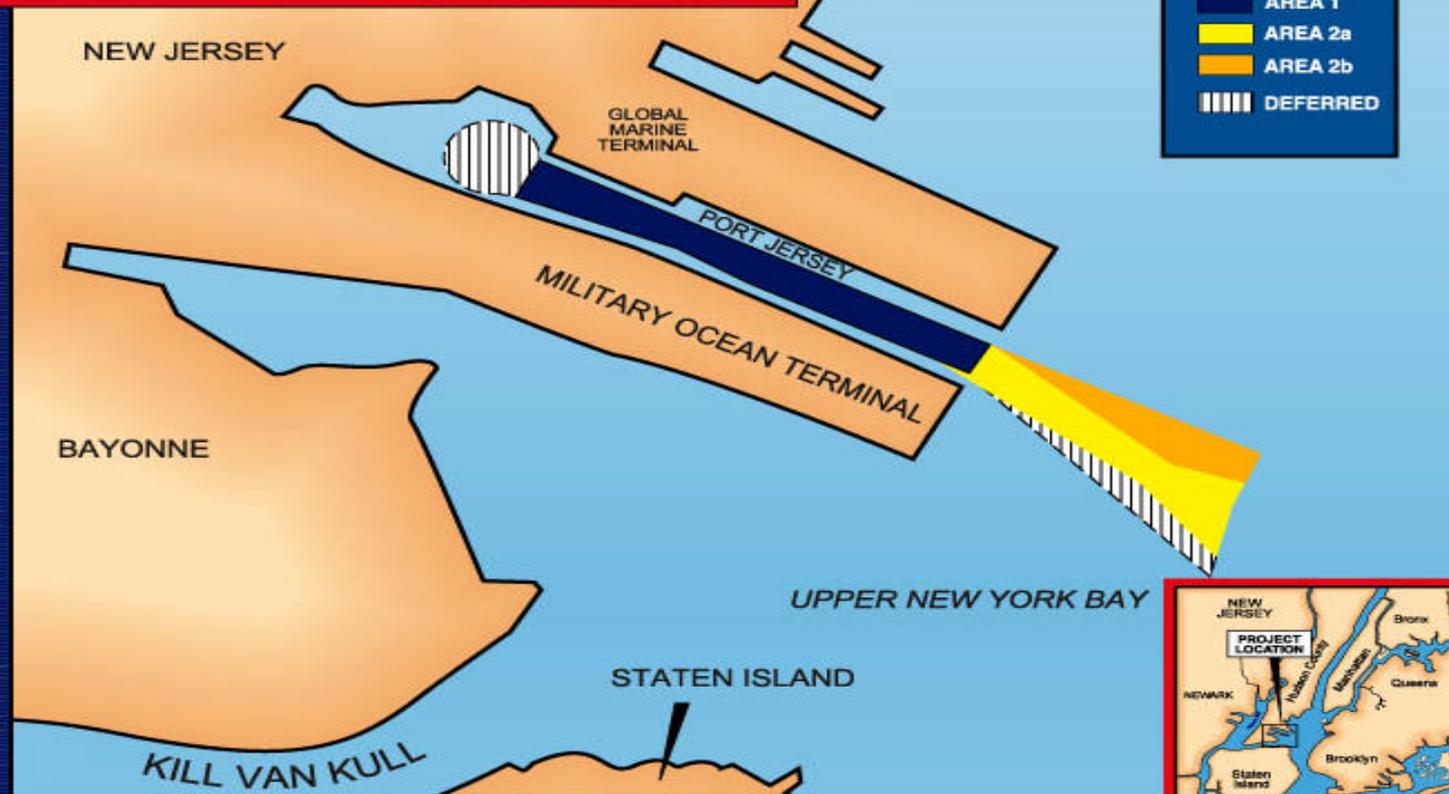




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Consolidation Plan for Port Jersey Channel

PORT JERSEY CONTRACT DREDGING AREAS

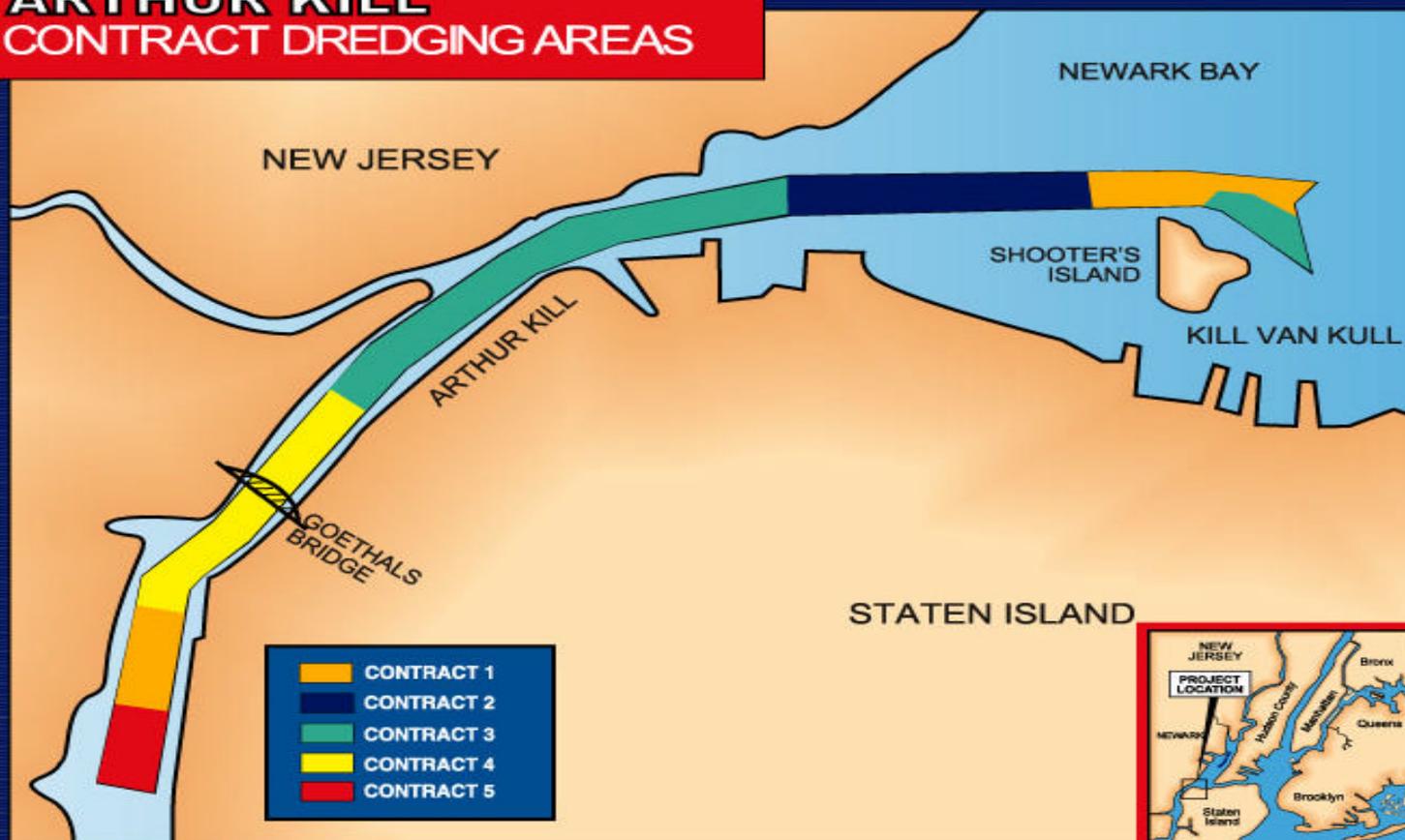




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Construction Plan for the Arthur Kill Channel

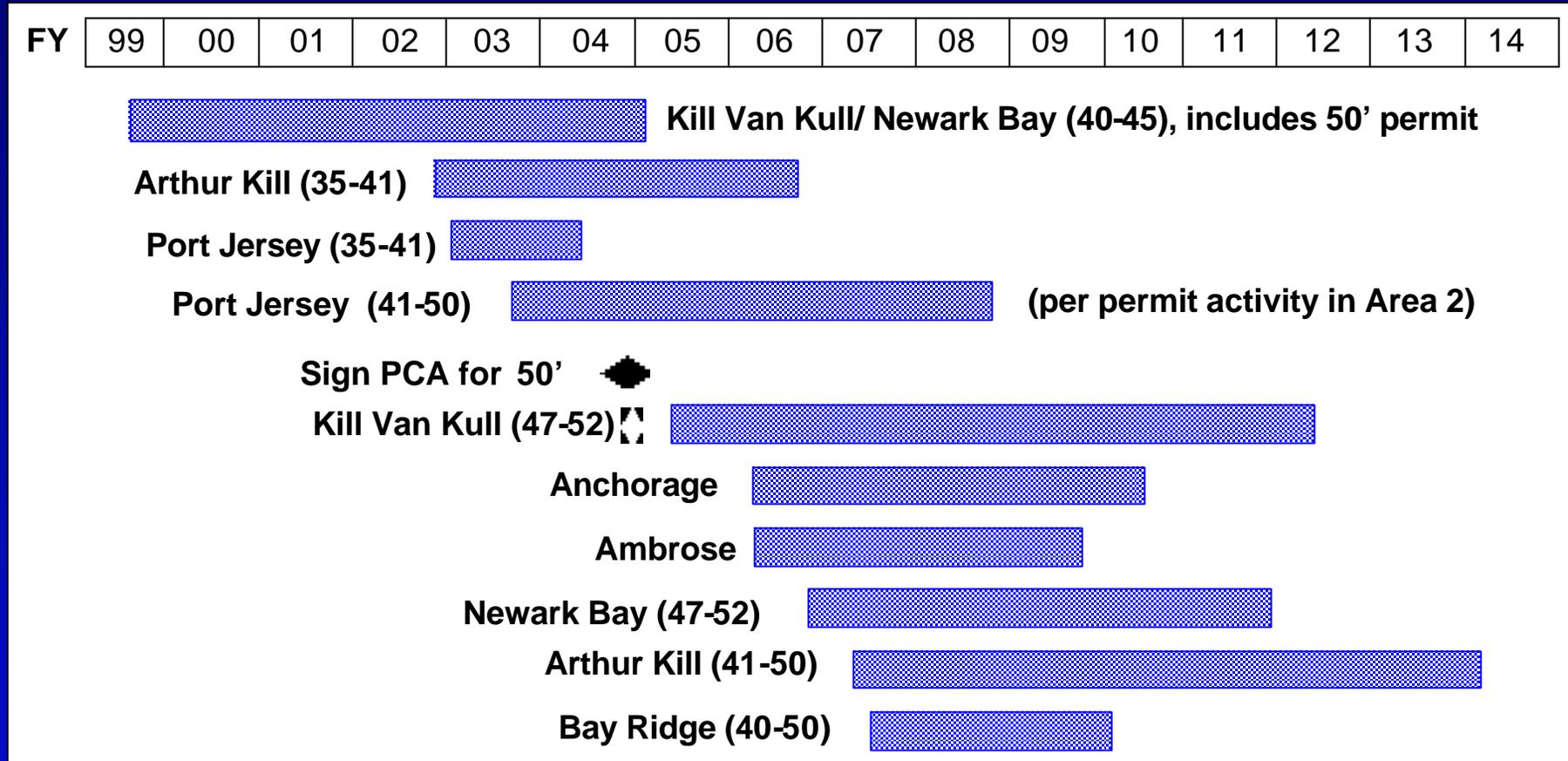
ARTHUR KILL CONTRACT DREDGING AREAS





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Preliminary Construction Schedule to Achieve a 50' Port



Note: Components of the KVK 45', AK 41' and PJ 41' projects may be delayed to facilitate implementation of 50' consolidation opportunities.



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Implementation Constraints

- Clean Air Act Compliance
- Capacity for Dredged Materials
 - ◆ Harbor Wide Disposal Plan (Update to DMMP)
- Funding Stream (\$\$)
- PCA Execution on Schedule
- Seasonal Windows
- Construction Scheduling
- Water Quality Certificates
- Potential Equipment Constraints
- Navigation Safety
- Contracting Constraints (Size/\$\$ Amount/Sole Source/Competition)
- OMB Port Jersey Concern (MOTBY)
- Utility Relocations



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Discussion

