



State of Louisiana

BOBBY JINDAL
GOVERNOR

March 5, 2011

Colonel Edward Fleming
District Commander
New Orleans District
US Army Corp of Engineers
PO Box 60267
New Orleans, LA 70160-0267

Dear Colonel Fleming:

The State of Louisiana respectfully submits the following recommendations on the Mississippi River Gulf Outlet (MRGO) Ecosystem Restoration Draft Feasibility Report & Draft Environmental Impact Statement.

We are strongly supportive of your efforts to restore the area of Louisiana's coast that was affected by the MRGO, and appreciate your commitment to soliciting our feedback throughout the planning process. We look forward to working alongside your agency and our other federal partners toward the implementation of projects to restore the extensive damage caused by the MRGO, as well as the larger effort to protect and restore Louisiana's magnificent coast.

On the whole, we believe that the Draft Feasibility Report (DFR) represents a significant positive step toward mitigating for the neglected adverse effects of the MRGO and a substantial commitment toward the long-term restoration of the Louisiana and Mississippi Coasts. We are strongly supportive of these efforts. However, we have a number of areas of concern related to the DFR and respectfully urge you to consider the following as you develop the final Ecosystem Restoration Plan for the MRGO:

1. Proposed Scope and Scale of the Draft Feasibility Report

First and foremost, we are concerned that the scope and scale of the restoration project, as outlined in the DFR, does not adequately realize its congressionally-mandated objectives. In the Water Resources Development Act (WRDA) of 2007, Congress directed the Corps to prepare a plan to "physically modify the Mississippi River Gulf Outlet and restore the areas affected by the navigation channel," "to restore natural features of the ecosystem that will reduce or prevent damage from storm surge," and "to prevent the intrusion of saltwater into the waterway." WRDA 2007, Section 7013(a)(3)(B).

The restoration of 58,861 acres of coastal habitat, as called for in the Tentative Selected Plan (TSP) in the DFR, is an important step toward achieving the restoration of the areas of Louisiana and Mississippi Coasts that were negatively impacted by the MRGO. However, it is our view that the size of the area proposed for restoration is not commensurate with the full extent of ecological damage caused by the MRGO, does not adequately restore and provide for

the sustainability of the ecosystem services provided prior to the channel's construction, and fails to appropriately address the resulting vulnerability to the communities buffered by the MRGO area. Numerous independent estimates conclude that the extent of degradation was significantly greater than the Corps' estimate. For example, one estimate indicates that approximately 600,000 acres of habitat were lost or negatively impacted as a result of the MRGO. Accordingly, we urge the Corps to consider expanding the scale of the DFR to more accurately address the full extent of damage, service loss, and natural buffer degradation caused by the navigation canal.

Further, it is our view that the geographic scope of impacts caused by the MRGO far exceeded the scope of the geographic areas identified for restoration activities in the DFR. Although the entire Project Study Area spanned 3.86 million acres throughout the Louisiana and Mississippi coastal zones, the DFR proposes conducting actual restoration projects in a significantly smaller area, heavily concentrated around the shores of Lakes Ponchartrain and Borgne. To more accurately focus the restoration plan on the actual geographic area impacted by the MRGO, we urge the Corps to include restoration projects within a broader range of the Project Study Area and in restoration configurations that are sustainable in the final plan.

For example, we suggest including in the final plan provisions for a more extensive restoration of the Biloxi Marsh, including the protection of the Biloxi Marsh land bridges and the construction of oyster reef restoration projects. This area is of critical ecological importance to Mississippi's coast and provides an important storm surge barrier for both Louisiana and Mississippi. We recognize that the Violet Diversion (which is currently included in the DFR) will significantly contribute to the restoration of the Biloxi Marsh, but we feel that that project alone will not be sufficient to restore this area—a more active approach must be taken. Thus, in addition to the Violet Diversion, we strongly encourage you to include the aforementioned measures for the restoration of the Biloxi Marsh in the final plan.

2. Cost Share and Financial Considerations

As is stated in the DFR, our agencies are in significant disagreement regarding the cost share requirements for this project. The State of Louisiana has consistently maintained that the clear congressional intent is for all stages of the MRGO Ecosystem Restoration project to be conducted at full Federal expense, pursuant to Sections 7012(b) and 7013 of WRDA 2007. Although we fully support the full implementation of this project, we believe that the Corps' refusal to reconsider its position on the cost share elements of this plan seriously jeopardizes its future success. In light of the clear congressional intent to require full Federal funding for the construction of this project, we strongly urge the Corps to reconsider its position on this issue.

The history of the MRGO navigation canal underscores the fact that the federal government bears full responsibility for the implementation of the ecosystem restoration plan. The MRGO was constructed as a federal navigation channel, with the agreement that the federal government was 100% responsible for the maintenance of the channel, including dredging and bank stabilization. Consistent with its original obligations for the MRGO, the federal government must assume full responsibility for remediating the ecological damages caused by neglecting to fulfill these responsibilities. The Corps' current refusal to accept this responsibility is contrary to both public policy and the congressional intent of WRDA 2007.

Finally, we are concerned that, within the current federal budget climate, obtaining full congressional funding for this project will pose a significant challenge. Accordingly, we urge the Corps to consider alternative non-traditional funding sources for the implementation of this project. However, we note that when the MRGO was open to navigation, Congress authorized approximately \$10-13 million annually in funding for the operations and maintenance (O&M) of the navigation channel. At a minimum, this amount should be allocated annually to the implementation of the MRGO Ecosystem Restoration plan. To this effect, we will urge Congress to continue its commitment to restoring the Gulf Coast by appropriating this funding, while also working with the Corps to identify alternative funding sources for the long-term restoration efforts.

3. Location of Violet Diversion

We are strongly supportive of the construction of a diversion in Violet to provide essential freshwater and nutrients to sustain and restore the ecological viability of critical coastal wetlands in Louisiana and Mississippi. However, we urge you to reconsider the recommendation in the TSP to locate the diversion in the Sinclaire Tract, rather than utilizing the Violet Canal.

As you are aware, numerous key stakeholders—including St. Bernard Parish and local environmental nonprofit organizations—are strongly supportive of utilizing the existing Violet Canal for the diversion, rather than the Sinclaire Tract. The use of the Sinclaire Tract would divide St. Bernard Parish, as well as require additional costly land acquisition. Further, preliminary assessments have indicated that the Corps' original conclusion on the technical feasibility of using the Violet Canal may be inaccurate. As such, we urge you to thoroughly evaluate all possible options and available studies on this project before pursuing the recommendation in the TSP to locate the diversion in the Sinclaire Tract.

4. Utilize Mississippi River as Source of Sediment for Wetland Restoration

The current TSP recommends dredging over 150 million cubic yards of sediment to restore wetlands, with the vast majority of material being sourced from Lake Borgne. However, we believe the better approach would be to utilize the Mississippi River as a significant source of this dredge material, for several reasons. First, sourcing the dredge material from the Mississippi River would provide significant ecological benefits by dispersing much-needed sediment into coastal wetlands, rather than allowing it to be carried into the Gulf of Mexico or settle on the river bottom. Second, river-sourcing the material would eliminate any potential concerns related to increases in surge wave heights, negative impacts to existing shoreline protection along the lake rim, and damage to the bottom habitats of Lake Borgne. Accordingly, we recommend that the final plan include sourcing sediment from the Mississippi River in addition to Lake Borgne.

We disagree with the DFR's conclusion that economic considerations rule out sourcing dredge material from the Mississippi River as a viable alternative. The DFR ruled out the Mississippi River as a sediment source for these projects due to the higher cost of transporting the material from the river, versus the more proximate Lake Borgne. However, the Corps should consider a greater array of costs and benefits in evaluating potential sediment sources. For example, the DFR fails to take into account the economic value of the ecosystem services

provided by the net addition of riverine sediment into coastal wetlands. Additionally, it fails to consider the potential negative economic and ecological impacts that large-scale removal of material from the Lake Borgne ecosystem may cause. Further, the introduction of a river sediment source would re-establish the historic relationship between the river and the Biloxi marsh while ensuring a more sustainable restoration project providing greater ecosystem services over a longer period. We believe that if the full array of costs and benefits were taken into account in evaluating sediment source options, the use of the Mississippi River as a source would prove to be both economically and ecologically advantageous. We urge you to reconsider this option in developing the final plan.

5. Implementation Schedule

We recommend that the implementation schedule for the MRGO Ecosystem Restoration Plan be reevaluated. According to the DFR, project areas with lowest land loss rates would be constructed first, because this would allow the largest possible net acreage for the 50-year project life to be obtained. While we understand this rationale, our view is that areas of greatest need—e.g., those with the highest land loss rates—should be constructed first. Land loss is the most critical and urgent problem facing the Study Area and coastal Louisiana in general, with over 2300 square miles (an area the size of Delaware) lost since the 1930s. Unless we take immediate actions to preserve and restore those areas at the highest risk of being lost first, these areas will continue to degrade at ever-increasing rates. Further, the costs of rehabilitating these areas will continue to increase at an exponential rate. Thus we recommend that the Corps revise the TSP to address the most vulnerable areas first, which we feel is the most ecologically beneficial and economically efficient approach.

6. Other Recommendations

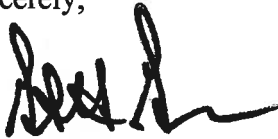
We have a variety of other primarily technical recommendations, which are briefly discussed below:

- **Integration of Restoration Measures With Flood Protection System:** We recommend the utilization of a system approach to integrating restoration with flood protection during Pre-Construction Engineering and Design (PED). When specific restoration measures are further evaluated during PED, flood protection benefits should be maximized whenever possible.
- **Comprehensive Aquatic Systems Model (CASM) Modeling:** A CASM modeling study was undertaken to determine the impacts of the MRGO Ecosystem Restoration Plan on fishery productivity. However, the DFR indicates that the modeling results presented in this study were preliminary; modifications to the CASM were not able to be done prior to release of the DEIS for public comment. We recommend that potential changes to the CASM results be included in the Final EIS.

- **Caernarvon Freshwater Diversion:** The sections of the DFR that discuss Hydraulics and Hydrology (H & H) modeling state that input flows for the Caernarvon diversion were increased by roughly 25 percent, consistent with the projected increase in the capacity of the structure. However, because there have been no plans to increase the physical capacity of the diversion through the currently authorized LCA feasibility study, we recommend that this language be modified to note that no increase in the capacity of the structure is expected.

In conclusion, the State of Louisiana sincerely appreciates the opportunity to review and comment on the MRGO Ecosystem Restoration Plan Draft Feasibility Report and DEIS. We look forward to the opportunity to continue to work with the Corps on continued development and implementation of this project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Garret Graves', written over a horizontal line.

Garret Graves, Chairman
Coastal Protection and Restoration Authority of Louisiana