



Online at www.asbpa.org

Washington, DC Office
 553 Park Rd NW
 Washington, DC 20010
 Phone: (202)827-4246
 Email: Derek.Brockbank@asbpa.org

Executive Office:
 5460 Beaujolais Lane
 Fort Myers, FL 33919-2704
 Phone: (239) 489-2616
 Fax: (239) 362-9771
 Email: managing@asbpa.org

September 30, 2019

The Honorable John Barrasso,
 Chair, Environment and Public Works Committee
 U.S. Senate

The Honorable Tom Carper
 Ranking Member, Environment and Public Works Committee
 U.S. Senate

Dear Chairman Barrasso and Ranking Member Carper,

The American Shore and Beach Preservation Association (ASBPA) supports proactive federal investment in our nation’s beaches, dunes, and wetlands. Natural coastal infrastructure protects 50% of the U.S. population who live in coastal counties from storms and sea level rise. Investing in our natural coastal resources saves money in rebuilding upland infrastructure after storms. Restoring coastlines also supports the economy and generates jobs - creating and supporting more than 30 jobs for each million dollars invested.¹ Coastal infrastructure creates engineering and construction jobs, and protects and creates jobs in transportation, recreation and tourism, fishing and more.

We greatly appreciate the Transportation & Infrastructure Committee’s commitment to pass Water Resources Development Acts (WRDAs) on a regular two-year cycle. As you develop a 2020 WRDA, we request you include the following policies.

Requiring the U.S. Army Corp of Engineers (USACE) to include the economic valuation of sediment, including ecosystem restoration benefits, storm damage reduction benefits, and other economic values and long-term costs when determining the “least cost alternative” for the disposal of dredged materials.

Conceptually, the Federal Standard is an important policy to ensure USACE is efficiently spending taxpayer money: the cost of a navigation project should only include the least expensive placement of the dredged material. However, current implementation of the Federal Standard is based on the understanding of dredged material as a “spoil” that needs to be disposed of, rather than a resource that should be used. As seas rise and offshore sediment sources become scarce, we now understand that sand is the second most used natural resource in the world behind water.² Geologists and geomorphologists are considering whether imported sand from as far away as Greenland could be economically feasible in the future.³ The Federal Standard must be based not on the cheapest way to *get rid* of dredged sand, but the most efficient way to *use* dredged sediment (including beach-quality sand and fine-grains that restore ecosystems) beneficially.

¹ http://www.habitat.noaa.gov/pdf/RAE_Restoration_Jobs.pdf
² <https://www.imf.org/external/pubs/ft/fandd/2015/12/edwards.htm>
³ <https://www.nytimes.com/interactive/2019/07/01/climate/greenland-glacier-melting-sand.html>

The simplest way to do this is to account for dredged sediment's value to projects – both federal and non-federal – that could use that material currently and in the future to benefit the public. The value of future uses would be the additional (“delta”) cost for a community that wanted to use material dredged from a channel to restore a beach in, say, ten years, but would have to pay more to go off-shore because the sediment was no longer available in the channel. This potential future cost would come with a discount rate, but must be borne by the navigation project as a cost of removing sediment. In short, dredged material needs to be treated as any other natural resource would. If a navigation project disturbed a wetland, there would need to be recompense to restore the ecological value of a wetland; similarly if dredged material is removed, a project should account for the *public use value* of the sediment.

For water infrastructure projects, including flood risk reduction projects, proposed for authorization, require USACE to determine and publish the full range of benefits – including, but not limited to, economic value derived from tourism and recreation; ecological improvements and social cohesion – as part of the benefit-cost-ratio (BCR).

Benefit-cost-ratios (BCRs) for water resource infrastructure projects ensure the federal taxpayer is only paying for projects that provide positive economic benefits – when benefits outweigh costs. However, as currently implemented, USACE BCRs have two fundamental flaws:

- a) BCRs are only calculated using the economically verifiable benefits of a project's *primary* purpose; and
- b) Projects in wealthier communities inevitably get prioritized over projects in poorer communities, since the economic benefit of risk reduction is greater for valuable property than inexpensive property.

Using only the economically verifiable benefits of a project's primary purpose sounds sensible, but it means projects are designed to maximize just a single benefit, rather than balancing multiple benefits. A project that is intended to reduce flood risk, such as a beach and dune system, might also have tremendous value as habitat and in supporting a tourism-based economy. Congress needs to direct the USACE to update its BCR process – either to consider the full array of benefits, or to develop a new methodology for prioritization that incorporates a project's secondary benefits.

Require each USACE district to produce an annual five-year sediment management report that forecasts expected sediment removal (i.e., dredging) and placement needs, sets goals for sediment reuse, and identifies local and state partners that may want access to federally dredged sediment and will be consulted on timing of projects.

While many USACE districts are already employing regional sediment management (RSM) concepts and planning, RSM is not consistently practiced throughout all USACE districts and not all districts provide public plans for how they manage sediment. Requiring a five-year sediment management plan from each district will help a) ensure districts are all operating using the budgetary cost-saving principles of RSM; b) ensure transparency in project planning and budget development, thereby allowing local communities to have a better understanding of when they will need to provide their local cost share; and c) ensure states and all sediment-user stakeholders are at the table as USACE districts plan where and how to remove and use sediment within their watersheds and littoral systems.

Five year sediment management plans can likely build upon existing plans, but should include:

- A five year sediment budget for each watershed and/or littoral system within the district, including:

- Expected sediment removal projects with estimates of amount and type of sediment to be removed;
- Expected and potential sediment placement projects with estimates of amount and type of sediment needed;
- Coordination with neighboring districts for watersheds and/or littoral systems that cross district boundaries;
- Goals for maximizing beneficial re-use of sediment and cost-savings from aligning projects that cross budget-lines;
- A list of state agencies, local communities and NGO partners who will be consulted and/or informed in the planning of any sediment project.

Ensure federally authorized coastal storm damage risk reduction projects are authorized and appropriated as full projects and are not divided into physically separable elements to decrease the scope of what federal funds will cost-share.

A full coastal flood risk reduction project usually has an identifiable and logical geographic boundary – from inlet to inlet, for example – or a political boundary – from an inlet to a county border. Occasionally however a standard project will be divided into physically separable elements by USACE planners so that federal funding will only pay for a portion of the project.

Take a hypothetical example of beachfront that stretched 100 blocks. As a whole this project has BCR of 3.0 (or 3 to 1); it hits Office of Management and Budget's (OMB's) 2.5 to 1 threshold, so is likely to be funded. But in this project, blocks 1-25 are mostly high-rise developments and have a BCR of 5.0; blocks 26-75 are of moderate wealth and just hit that 3.0 BCR; and blocks 75-100 have a lower property value and so the BCR is just 1.0; the average of this whole project is 3.0. However USACE can choose to not include blocks 75-100 in the project, and the BCR jumps up to an even better 3.66 for blocks 1-75. This leaves the local community entirely responsible for funding the project reach for blocks 75-100. While this may save the federal government some money, it may not be supporting a cogent project and may simply be leaving out less wealthy areas.

Congress should ensure USACE cannot slice up coherent projects simply to remove sections that have a lesser BCR, and then authorize and/or appropriate funds to a smaller project.

To support coastal communities, we hope you will include these changes in the upcoming Water Resources Development Act (WRDA). We look forward to working with you to develop these proposals as you begin to draft legislation.

Sincerely,



Derek Brockbank
Executive Director