

TRANSMITTAL

Port of Gulfport Restoration Program

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| Skeeter | McClure | | | | |
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| Volker | t, Inc. | | | Submittal Due Date: | 12/9/10 |
| Enviro | nmental Servi | ces | | | |
| 010-HU | 010-HUD-007 | | | Task Lead: | Elizabeth Calvit |
| A2 | | | 02.03 | Submittal No.: | 1 |
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| very Format Copy, CD/DVD) | Uploaded to SharePoint (Yes/No) | | 1 | Document Descriptio | n |
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CONSULTANTS CERTIFICATE OF QA/QC COMPLIANCE:

This is to certify that the attached document(s) has been produced in accordance with established Project Quality Plan.

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ENVIRONMENTAL ASSESSMENT

AND

ENVIRONMENTAL REVIEW RECORD

Community Development Block Grant Disaster Recovery Project

24-ACRE FILL, NEW TENANT TERMINALS AND INFRASTRUCTURE MISSISSIPPI STATE PORT AT GULFPORT GULFPORT, MISSISSIPPI



Prepared For:
Mississippi Development Authority
Jackson, Mississippi

By:

The Mississippi State Port at Gulfport 2510 14th Street, Suite 1450 Gulfport, Mississippi 39501

December 2010

Environmental Assessment

for HUD-funded Proposals

Recommended format per 24 CFR 58.36, revised March 2005 [Previously recommended EA formats are obsolete].



Project Identification: 24-Acre Fill, New Tenant Terminals and Infrastructure Project

Preparer: <u>Joseph O. Conn, P.E., Director of Disaster Recovery</u>
<u>Mississippi State Port at Gulfport</u>

Responsible Entity: Mississippi Development Authority

Month/Year: <u>December 2010</u>

Environmental Assessment

Responsible Entity: Mississippi Development Authority

[24 CFR 58.2(a)(7)]

Certifying Officer: Daron Wilson, Director, PMO Disaster Recovery Division,

[24 CFR 58.2(a)(2)] Mississippi Development Authority

Project Name: 24-Acre Fill, New Tenant Terminals and Infrastructure Project

Project Location: Port of Gulfport, South of U.S. Highway 90, Section 9,

Township 8 South, Range 11 West, Harrison County,

<u>Mississippi</u>

Estimated Total Project Cost: \$481,000,000

Grant Recipient: Mississippi State Port at Gulfport

[24 CFR 58.2(a)(5)]

Recipient Address: 12510 14th Street, Suite 1450, Gulfport, Mississippi 39501

Project Representative: <u>Joseph O. Conn, P.E., Director of Disaster Recovery</u>

Telephone Number: 228-865-4300

Conditions for Approval: (List all mitigation measures adopted by the responsible entity to eliminate or minimize adverse environmental impacts. These conditions must be included in project contracts and other relevant documents as requirements). [24 CFR 58.40(d), 40 CFR 1505.2(c)]

By letter dated September 27, 2010, the Mississippi State Port Authority (MSPA) requested authorization to proceed with Phase III of Department of the Army Permit No. MS96-02828-U for the 84-Acre Fill Project at the Port of Gulfport. A copy of the letter is provided in the Environmental Review Record (ERR). Phase III is for the final 24 acres of fill authorized under the permit which is required to commence upon the occurrence of either of the conditions specified in the permit.

The original permit (MS96-02828-U) issued by the U.S. Army Corps of Engineers (USACE) in 1998 (extended until July 9, 2013), required MSPA to perform a comprehensive Mitigation Plan. The Mitigation Plan required: 1) the implementation of a comprehensive stormwater management plan for the Port; 2) water quality enhancement features within the Commercial Small Craft Harbor and Discovery Bay located along the north shore of Bayou Portage in Harrison County, Mississippi; 3) removal of Fontainebleau Road, the construction of a new bridge over Graveline Bayou both located in adjacent Jackson County, and restoration of wetlands in the upper end of Graveline Bayou; and 4) contribution of \$1,000,000.00 to the Mississippi Department of Marine Resources (MDMR) Coastal Preserve acquisition program. Beginning in 1998, the MSPA developed and has been implementing the comprehensive Mitigation Plan concurrently with project implementation. The major items of the Mitigation Plan

have been accomplished. The remaining items are either ongoing requirements or were affected by Hurricane Katrina as noted in the following paragraphs.

Phases I and II of the 84-Acre Fill Project were underway when Hurricane Katrina hit the Coast. Work on Phases I and II resumed in 2009 and is currently scheduled to be completed in January 2011. The water quality monitoring requirement has also resumed.

On-site mitigation required water quality enhancement including installing a sewer pump-out facility at the commercial fishing docks. The Commercial Small Craft Harbor was destroyed by Hurricane Katrina and is not being used as a Commercial Harbor; therefore, this mitigation measure has not been implemented. The aerators identified in the Mitigation Plan have been installed in the Commercial Small Craft Harbor. The Mitigation Plan also included requirements to create openings in the West Wall to help improve water quality. Hurricane Katrina helped this requirement by removing several wall panels, which has improved tidal flushing in the Commercial Small Craft Harbor.

Off-site mitigation required wetland restoration including the Graveline Bayou Restoration Project and the Discovery Bay Canal Restoration Project. The Graveline Bayou Restoration Project is a long-term mitigation project and MSPA continues to implement the action items necessary to successfully complete that project. Marsh planting as required will continue to be a high priority item and MSPA is fully committed to that effort.

Ownership issues and changes in the site conditions at Discovery Bay have changed the strategy for providing restoration mitigation benefits for that area. The MSPA has worked with the MDMR to develop a revised mitigation project to replace the Discovery Bay mitigation project with an equivalent level of mitigation. The revised mitigation project is located in the Wolf River Coastal Preserve in West Harrison County. The new mitigation project will restore hydrology, improve wet season access and facilitate better ecological management of the Wolf River Coastal Preserve. The goals are to reduce erosion and sedimentation, lower runoff velocities, improve infiltration and to provide a stable, narrow 8-foot wide permanent road bed to allow maximum canopy closure and resistance to invasive weed propagation. The revised mitigation project will replace existing culverts with articulated concrete mats or similar technology. MDMR and MSPA have agreed that MSPA will provide funds to MDMR for implementation of this mitigation project.

The MSPA has a Stormwater Pollution Prevention Plan (SWPPP) and will manage erosion, sedimentation, and stormwater runoff in accordance with Mississippi Department of Environmental Quality (MDEQ) stormwater requirements. The SWPPP will be updated as required and will be implemented for the 24-Acre Fill, New Tenant Terminals and Infrastructure Project. Best Management Practices (BMPs) will be implemented to protect the Mississippi Sound from stormwater impacts during construction.

The proposed action will include paved, impervious surfaces for container storage, parking, structures, and access ways. The MSPA will implement a stormwater management plan and treat the stormwater run-off from these impervious surfaces in accordance with MDEQ requirements.

The MSPA has a procedure for securing the Mississippi State Port at Gulfport (Port) in advance of hurricanes. The MSPA has also developed a comprehensive evacuation plan that requires tenants to move containers from the Port well in advance of tropical storm events. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project will elevate the container storage yards for tenants above the 100-year floodplain to protect facilities, equipment and cargo against storm surge and to minimize disruptions to the Port tenants by eliminating the need to fully evacuate the terminal in the event of an approaching tropical storm. To further reduce the risk of

container movement during tropical storm events, a lashing system will be put in place to secure materials on the Port.

On April 15, 2009, the Federal Emergency Management Agency (FEMA) issued a Conditional Letter of Map Revision (CLOMR) for a proposed project that will involve raising the existing Port to an elevation of +25 feet North American Vertical Datum of 1988 (NAVD88), extending and widening the existing structure, and deepening the ship channel to -50 feet (NAVD88). Note: Elevations in this document are referenced to NAVD88. The proposed 24-Acre Fill, New Tenant Terminals and Infrastructure Project is located within the footprint of the proposed project evaluated in the CLOMR. In accordance with the CLOMR, a complete structural stability analysis in accordance with Part 65 of the National Flood Insurance Program (NFIP) must be submitted to FEMA to support the follow-up Letter of Map Revision for the project. The MSPA will complete and submit the required structural stability analysis for the 24-Acre Fill, New Tenant Terminals and Infrastructure Project to FEMA in compliance with the CLOMR requirements.

The CLOMR further states that Paragraph 60.3(e)(6) of the NFIP regulations prohibits the use of fill for structural support of buildings within Special Flood Hazard Areas (SFHAs) designated as Zones V, VE, and V1-V30 on the effective Flood Insurance Rate Map (FIRM). Therefore, the MSPA must ensure that structures are not erected where fill is placed in areas currently mapped as Zone VE until the FIRM is officially revised to a SFHA designated Zone AE or Zone AO.

FINDING: [58.40(g)]

X Finding of No Significant Impact

(The project will not result in a significant impact on the quality of the

human environment)

_ Finding of Significant Impact

(The project may significantly affect the quality of the human environment)

Preparer Signature:

Jasho Com Date: Ble 2010

Name/Title/Agency: Joseph O. Conn, P.E., Director of Disaster Recovery,

Mississippi State Port at Gulfport

RE Approving Official Signature:

Date: /2-14-10

Name/Title/Agency: Daron Wilson, Director, PMO Disaster Recovery Division,

Mississippi Development Authority

Statement of Purpose and Need for the Proposal: [40 CFR 1508.9(b)]

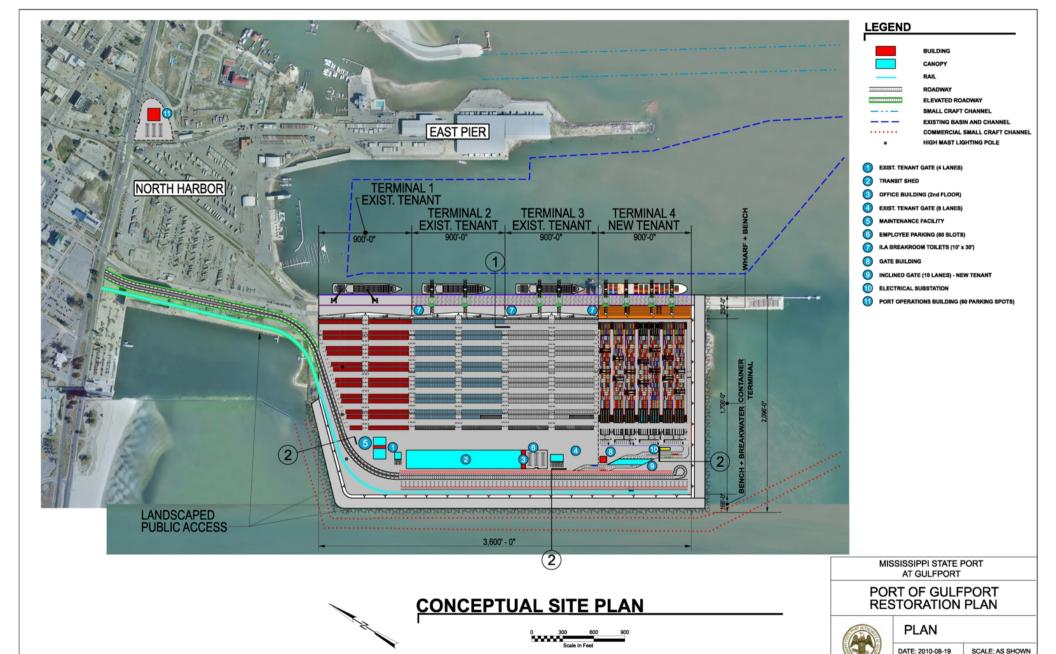
The purpose of the proposed project is to construct the 24-Acre Fill, New Tenant Terminals and Infrastructure Project and to make the Port more hurricane resilient (See Figures 1 - 4). Hurricane Katrina struck the Mississippi Gulf Coast in 2005 and destroyed or severely damaged the existing facilities at the Port, including tenant terminal facilities and infrastructure. Existing tenants are currently operating in reconstructed, repaired or temporary facilities at elevation +10 feet, making them vulnerable to damage by another hurricane. Containers are also stored at elevation +10 feet and must be relocated off the Port to higher ground approximately three days in advance of an approaching tropical storm. This is a time-consuming and costly process. The proposed action will elevate tenant terminals above the 100-year floodplain which will make the Port facilities resistant to storm surge. To further reduce the risk of container movement during tropical weather, a lashing system will be put in place to secure materials on the Port.

The MSPA has three major container carriers: Dole, Chiquita and Crowley. Dole is located on the East Pier area of the Port, Chiquita is located in the Central and West Pier area of the Port, and Crowley is location on the West Pier. DuPont also has a facility on the West Pier where it imports ilmenite ore for processing at their plant in DeLisle, Mississippi. All of these tenants received severe damage from Hurricane Katrina.

The Port is a bulk, break-bulk and container seaport with over 2 million tons of cargo a year and shipping over 200,000 Twenty-Foot Equivalent Units (TEUs) (i.e. containers). The Port has gained a solid reputation as the second largest importer of green fruit in the U.S. and the 3rd busiest container port on the U.S. Gulf of Mexico.

The proposed project is designed to meet the Port's future operations needs for the next 15 to 30 years based on MSPA's current market study and will also:

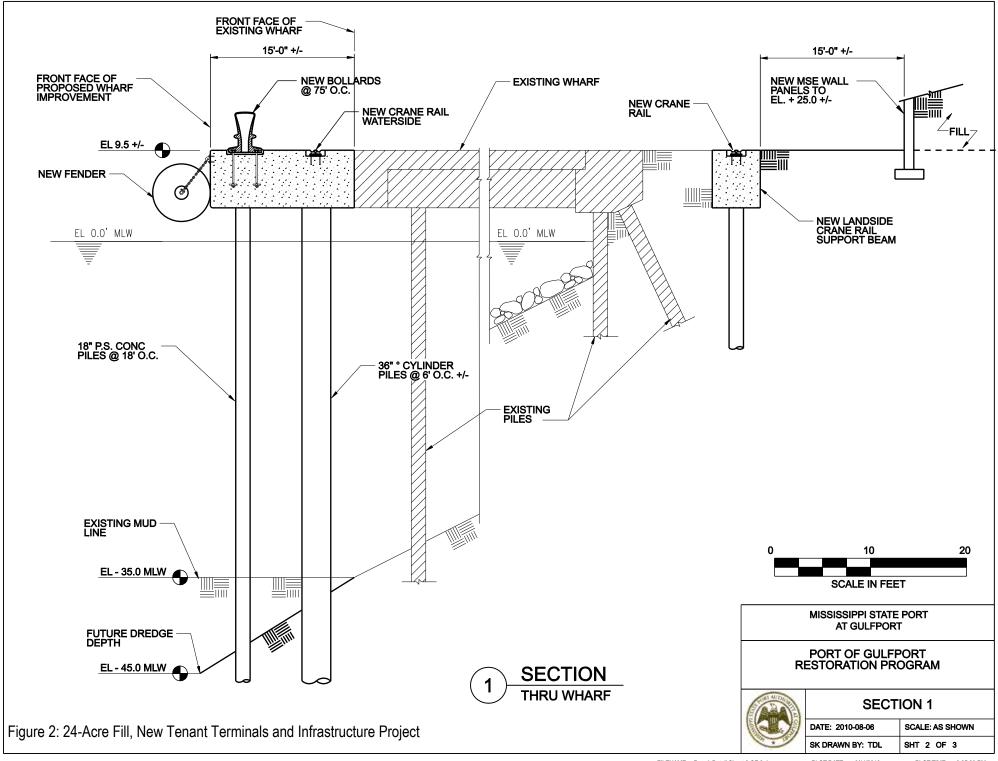
- provide for long-term recovery of the operating capacity of the Port,
- · provide protection against future tropical storm surge events, and
- establish a solid infrastructure foundation for current and future operations of MSPA.

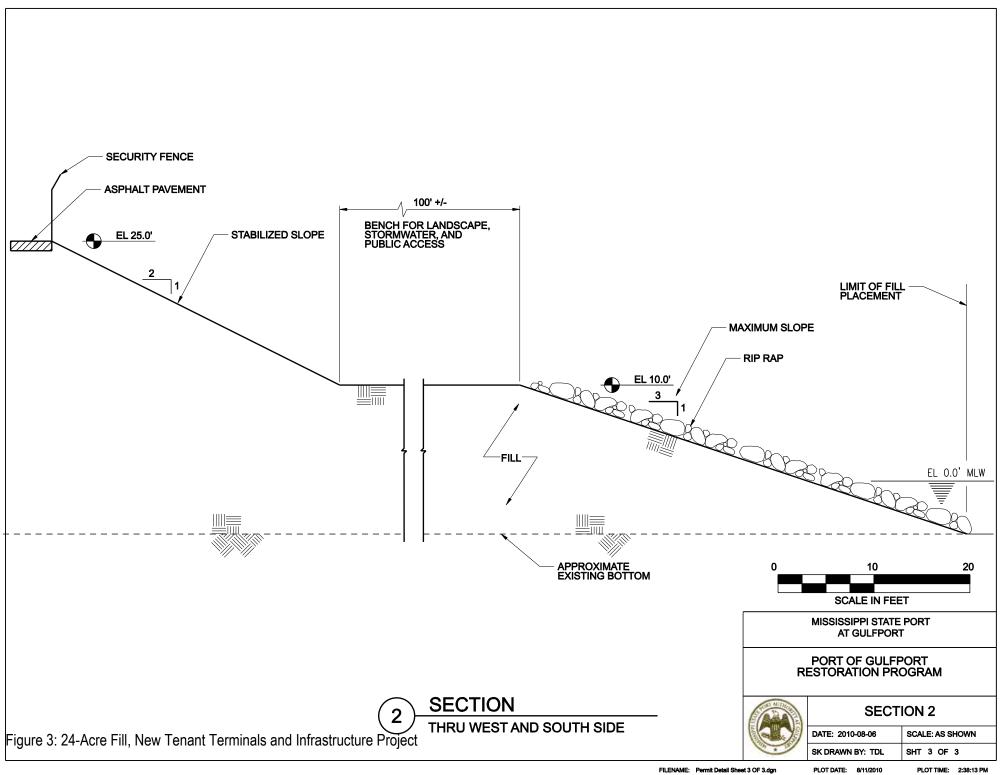


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Figure 1: 24-Acre Fill, New Tenant Terminals and Infrastructure Project





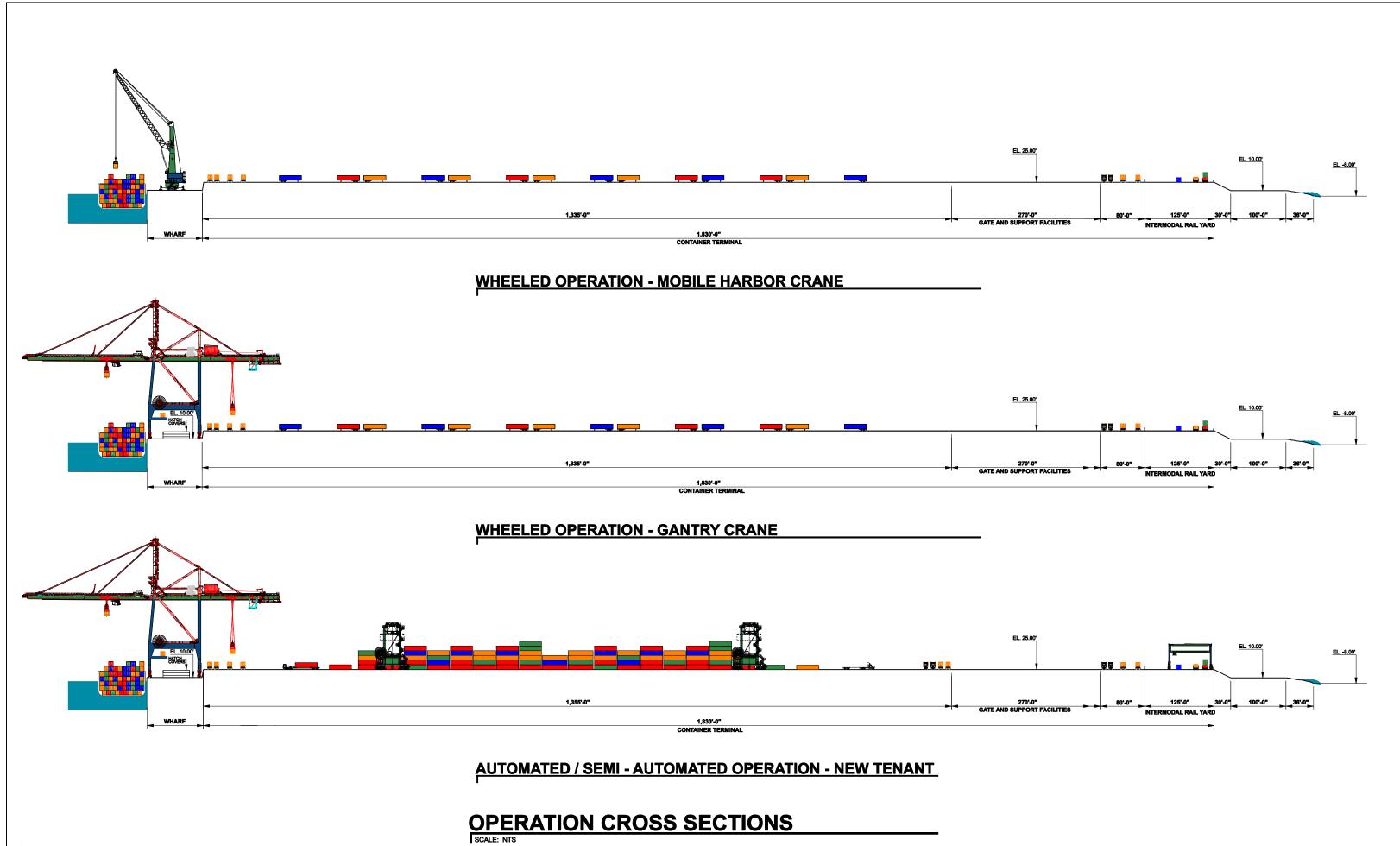


Figure 4: 24-Acre Fill, New Tenant Terminals and Infrastructure Project

Description of the Proposal: Include all contemplated actions which logically are either geographically or functionally a composite part of the project, regardless of the source of funding. [24 CFR 58.32, 40 CFR 1508.25]

In 1998, the USACE authorized filling 84 acres of Mississippi Sound water bottoms at the Port under Permit MS96-02828-U. Sixty (60) of the 84 acres were authorized by Phases I and II of the permit and were under construction prior to Hurricane Katrina. A Department of Housing and Urban Development (HUD) Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) addressed completion of the 60-Acre Fill Project in 2009. The balance of the 60-Acre Fill Project is currently under construction and is scheduled to be completed in January 2011. Phase III of Permit MS96-02828-U is for the final 24 acres of fill. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project is located on Port property south of U.S. 90 and on the Mississippi Sound water bottoms authorized under Permit MS96-02828-U. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project is prepared to proceed as a standalone project prior to and independent of any other project. The project has a logical termination, has substantial independent utility, does not foreclose the opportunity to consider alternatives and does not irretrievably commit federal funds for closely related projects.

The purpose of the proposed project is to construct the 24-Acre Fill, New Tenant Terminals and Infrastructure Project, and to make the Port more hurricane resilient. Hurricane Katrina struck the Mississippi Gulf Coast in 2005 and destroyed or severely damaged the existing facilities at the Port, including tenant terminal facilities and infrastructure. Existing tenants are currently operating in reconstructed, repaired or temporary facilities at elevation +10 feet, making them vulnerable to damage by another hurricane. Containers are also stored at elevation +10 feet and must be relocated off the Port to higher ground approximately three days in advance of an approaching tropical storm. This is a time consuming and costly process which results in substantial business interruptions and lost revenue. The proposed action will elevate tenant terminals above the 100-year floodplain which will make the Port facilities resistant to storm surge and eliminate the need to evacuate the Port. To further reduce the risk of container movement during tropical weather, a lashing system will be put in place to secure materials on the Port.

On April 15, 2009, FEMA issued a CLOMR for a proposed project that will involve raising the existing Port to an elevation of +25 feet, extending and widening the existing structure, and deepening the ship channel to -50 feet. The purpose of the CLOMR is to allow raising the Port above the hurricane surge experienced during Hurricane Katrina (+22.5 feet), taking it out of the high velocity zone. The proposed 24-Acre Fill, New Tenant Terminals and Infrastructure Project is located within the footprint of the proposed project evaluated in the CLOMR. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project has a substantial independent purpose whether or not any other construction occurs in the future.

The work required for construction of the 24-Acre Fill, New Tenant Terminals and Infrastructure Project consists of furnishing of all materials, equipment, labor, supervision, and performing all operations necessary for completion of the proposed project. The work includes the actions necessary to provide the Owner with a complete project as described herein:

In August 2010, the MSPA and the Mississippi Development Authority (MDA) revised the project description for the work to be completed within the next 6 years. The new project description included here increases the number of activities that will be conducted and the number of projects constructed. MSPA is proposing three overarching actions:

- Complete the final 24 acres of fill authorized under Permit MS96-02828-U.
- Fill the West Pier to +25.0 feet to make the port facilities resistant to storm surge.

Construct new tenant terminal facilities and infrastructure.

The proposed facilities will be constructed on Port property south of U.S. 90 and on Mississippi Sound water bottoms authorized under Permit MS96-02828-U. This project has independent utility and does not depend on future projects that may be undertaken as part of the restoration of the Port. The following project description summarizes the sequence of fill activities and the new infrastructure and facilities that will be constructed.

Fill

Phase III of Permit MS96-02828-U authorized filling 24 acres of Mississippi Sound water bottoms. The fill will be placed along the western edge of the 60 acres of fill authorized by Phases I and II of the permit and east of the Commercial Small Craft Channel. The West Pier terminal area will be raised to an elevation of +25.0 feet to protect facilities, equipment and cargo against storm surge, and to minimize disruptions to the Port tenants by eliminating the need to fully evacuate the terminal in the event of an approaching tropical storm.

New Tenant Terminals and Infrastructure

Container operations will be limited to the West Pier and will accommodate operational areas for existing tenants Chiquita, Crowley, and Dole, and one new tenant. The 140-acre combined terminal will be divided into four terminals approximately 32 to 36 acres in size.

The following new facilities and infrastructure will be constructed on the West Pier:

Terminal Facilities:

Transit Shed – A 200,000 square foot transit shed will be provided to meet multiple tenant needs. A large single structure will provide greater flexibility to the tenants and a more productive operation and utilization of the facility.

Terminal Access – Traffic to the four terminal tenants will be by a four lane roadway; two lanes for inbound traffic and two lanes for outbound traffic with sufficient turn and access lanes to minimize impacts to each of the operating terminals. The roads will be constructed along the western boundary of the West Pier area.

Terminal Operations Building – Terminal operations space will be constructed on the second floor of the Transit Shed to maximize space available for container cargo. Approximately 14,000 square feet of office space will be provided for existing and future tenants. Eighty parking slots will be provided for employees.

Maintenance Facility – The maintenance facility will be a common shared facility for Port tenants. A two-story, 30' x 120' enclosed facility will be provided for storage, break room, lockers and toilets, and special purpose shops. A nine bay canopy structure will be provided adjacent to the structure with four bays on one side and five bays on the other. Each canopy bay will have two repair bays. The facilities can be expanded to add repair bays as required.

Terminal Gates and Terminal Gate Building – Each terminal operator will have its own gates to process cargo into and out of its terminal. Crowley will require a four-lane gate and Chiquita and Dole will share a common eight-lane gate. The new tenant will have its own gate. A 50' x 50' Gate Building may be provided to house the new tenant's clerks and other personnel. Depending on the technology used for gate operations, these personnel could be housed in the Terminal Operations Building, eliminating the need for the Gate Building.

Longshoreman Break Rooms and Toilets – There will be three 10' x 30' break rooms/toilets provided for use by terminal operation personnel.

Security – The overall terminal security will be integrated into the terminal based on the Customs and Border Protection requirements including security fencing, security cameras, lighting, etc. The terminal will have a perimeter lighting system. High mast lighting poles will be installed on each terminal to provide ample lighting throughout the yard and wharf areas. The Transit Shed and Maintenance Facility will also have perimeter lighting to light the areas around the buildings. The new tenant may not have the same lighting requirements depending on the level of automation used.

Other Requirements – Other requirements include pavement markings, signage, wheel stops, curbs and barriers for layout and control of traffic patterns, chassis/container parking stalls, and water, sewer and storm drainage improvements, electrical distribution and communication/data systems, electrical outlets for refrigerated containers, anchors for hurricane tie down straps, and demolition of existing structures.

Container Yard: Approximately 120 acres of paved container yard will be provided primarily for parking of containers on chassis or grounded containers in a stack operation.

Intermodal Rail Yard: The Intermodal Container Transfer Facility (ICTF) will be constructed along the western side of the West Pier. Initially, two working tracks will be constructed. More operating tracks will be added when needed based on container volume.

Wharf Improvements: The existing wharf structures will be modified by constructing new pile supported crane rails along the waterside face and landside face of the existing wharf. Both new crane rail structures will be tied to the existing wharf structure.

Transportation Corridor: A new transportation roadway and rail corridor will be established on Port property from U.S. 90 to the West Pier. New infrastructure is needed to access the new terminals at +25 feet. As shown on the conceptual plan, MSPA's preferred alignment for the transportation corridor is along the western boundary of the North Harbor.

Stormwater Treatment: Stormwater runoff will be treated on-site. Design, construction and operations of the stormwater management system will be based on Best Management Practices and in accordance with MDEQ regulations.

Utility Corridor: A utility corridor will be established between U.S. 90 and the West Pier to house potable water, fire-fighting water, sanitary sewer, and electrical, and telecommunication utilities to the new terminals. The utility corridor will be adjacent to the transportation corridor.

Sequencing of Work

It is anticipated that the filling and construction activities will take place in six phases over approximately a six year time period. The sequence of the work is identified as follows:

Phase 1: Fill 24 acres of Mississippi Sound authorized under Permit MS96-02828-U to +10.0 feet providing the additional area needed for the intermodal operations. Excavation and removal of structurally unsuitable material from the 24-acre fill area will occur during Phase 1. The fill will progress from north to south to allow maximum consolidation of the underlying soils to occur prior to construction of any of the facilities or infrastructure. Concurrently, construction will begin to raise the West Pier to +25.0 feet. Terminal construction activities in Phase 1 include stormwater management and upgrading Berth 3.

Phase 2: Construct new transit shed, new stormwater facilities, landscape buffer and public access, upgrade Berths 1 and 2 and begin upgrade of Berth 6, move DuPont, and demolish DuPont facilities and old transit shed.

Phase 3: Fill additional areas to +25.0 feet, construct temporary Crowley reconfiguration, begin upgrade of Berth 4 and 5, and complete upgrade of Berth 6.

Phase 4: Construct Terminals 1, 2 and 3 and complete upgrade of Berths 4 and 5.

Phase 5: Relocate tenants and fill final area to +25.0 feet.

Phase 6: Construct Terminal 4 and road and intermodal rail access from U.S. 90 to the West Pier.

Approximate Construction Durations

It is estimated that each phase of work can be accomplished within the following approximate durations:

| Phase | Duration (Months) |
|-------|-------------------|
| 1 | 16 |
| 2 | 12 |
| 3 | 13 |
| 4 | 14 |
| 5 | 9 |
| 6 | 9 |

Existing Conditions and Trends: Describe the existing conditions of the project area and its surroundings, and trends likely to continue in the absence of the project. [24 CFR 58.40(a)]

Existing Conditions – The existing tenants are currently operating in reconstructed, repaired or temporary facilities on the Port at elevation +10 feet, making them vulnerable to damage by another hurricane. Sixty (60) acres of Mississippi Sound water bottoms at the project site are currently being filled as authorized by Phases I and II of Permit MS96-02828-U (84-Acre Fill). This fill is scheduled to be completed in January 2011. The 24-Acre Fill portion of the proposed project will be constructed on the West side of the Phase I and II fill. The proposed New Tenant Terminals and Infrastructure Project will be constructed on top of fill and structures authorized under Permit MS96-02828-U and the existing West Pier, with road, rail and utility construction extending from the West Pier area north to U.S 90.

Trends - Prior to Hurricane Katrina, the throughput at the Port was increasing as predicted in the market analyses which were part of the MSPA's 1994 Strategic Master Plan (SMP) and the 2003 Updated SMP. Containerized cargo for the existing container operations of Crowley, Chiquita, and Dole were increasing at a reasonable rate of growth. Subsequent to Hurricane Katrina, throughput at the Port decreased because of major damage to Port facilities. In the five years since Hurricane Katrina, the tenants have increased activities at the Port. Total average annual containerized cargo throughput at the Port for 2007 through 2009 is 206,800 TEUs. Containerized cargo throughput at the Port is expected to return to normal growth rates in the future as the U.S. economy recovers.

There are two independent projects that will be constructed in the vicinity of the Port. They consist of the Mississippi Department of Transportation (MDOT) Connector Road and the upgrade and maintenance of the existing railroad between Gulfport and Hattiesburg. These two projects were previously planned and/or permitted. These projects are independent of the 24-Acre Fill, New Tenant Terminals and Infrastructure Project. MDOT and the Federal Highway Administration (FHWA) have completed an EA and FONSI for the I-10/SR 601 Connector Road. The I-10/SR 601 Connector Road Project is designed to relieve existing traffic congestion on roads within the City of Gulfport and will be constructed whether or not the 24-Acre Fill, New Tenant Terminals and Infrastructure Project is constructed.

MSPA applied for and received a Transportation Investment Generating Economic Recovery (TIGER) Grant from the U.S. Department of Transportation for maintenance and upgrade of 67.5 miles of the Kansas City Southern (KCS) mainline track between Gulfport and Hattiesburg. The project will be funded and constructed in phases with work scheduled to be completed prior to completion of the 24-Acre Fill, New Tenant Terminals and Infrastructure Project. The TIGER Grant Project is being evaluated under a separate Federal Rail Administration NEPA document.

The MPSA filed an application on March 17, 2010, for a Department of the Army permit pursuant to Section 10 of the River and Harbors Act of 1899, Section 404 of the Clean Water Act and Section 103 of the Marine Protection, Research and Sanctuaries Act for a Port of Gulfport Restoration Plan (PGRP) for restoration and revitalization of the Port. The MSPA proposes impacts to approximately 1,000 acres of open water bottoms in the Mississippi Sound which consists of the filling of open water bottoms, dredging operations, construction of a new turning basin and other items. An Environmental Impact Statement is being prepared for the overall PGRP Project with the USACE serving as the lead federal agency. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project will be constructed whether or not the proposed PGRP Project is constructed.

Previous Environmental Evaluations

In April 2009, the MSPA completed an EA for the balance of the 60-Acre Fill Project. The balance of the 60-Acre Fill Project is scheduled to be completed in January 2011. The proposed 24-Acre Fill, New Tenant Terminals and Infrastructure Project will be constructed on the existing West Pier and North Harbor areas of the Port, on top of previously filled Mississippi Sound water bottoms authorized by Permits MS96-02828-U (Phases I and II - 60 acres) and MS01-03200-U (Berth 7), and Mississippi Sound water bottoms authorized by Phase III of Permit MS96-02828-U. The USACE coordinated the 84-Acre Fill and Berth 7 Projects with various federal, state, and local agencies and prepared EAs for the projects, in accordance with agency guidelines, prior to issuing the permits.

Statutory Checklist [24CFR §58.5]

Record the determinations made regarding each listed statute, executive order or regulation. Provide appropriate source documentation. Note reviews or consultations completed as well as any applicable permits or approvals obtained or required. Note dates of contact or page references. Provide compliance or consistency documentation. Attach additional material as appropriate. Note conditions, attenuation or mitigation measures required.

| <u>Factors</u> | Determination and Compliance Documentation |
|--|--|
| Historic Preservation [36 CFR 800] | The City of Gulfport was incorporated in 1899. The City's origins are linked to the timber industry of the late 19th century, the development of the railroad, and the unique natural harbor provided at Ship Island. The National Register of Historic Places (NRHP) was consulted to determine if any NRHP properties are located on or near the proposed project site. There are no NRHP properties on the project site. Two buildings and a historic district are located near the project site in downtown Gulfport. The Hewes Building is located at 2505 14 th Street and the U.S. Post Office and Customhouse is located at 2421 13 th Street. The Harbor Square Historic District is roughly bounded by the CSX railroad, 23 rd Avenue, 13 th Street, and 27 th Avenue in downtown Gulfport. |
| | The Mississippi Department of Archives and History (MDAH) was contacted by letter dated August 19, 2010 and requested to provide information on the project's potential impact on sites eligible for listing on the NRHP. The MDAH provided a letter dated September 10, 2010 which indicated that no resources listed in or eligible for listing in the NRHP are likely to be affected and the MDAH has no objection to the proposed project. |
| | On May 12, 2008, the MDA sent a letter to tribal authorities inviting them to help MDA meet its responsibility under the National Historic Preservation Act by participating in the Section 106 process on a number of projects including the PGRP. Only the Mississippi Band of Choctaw Indians chose to participate. |
| | Mr. Kenneth Carleton, the Tribal Historic Preservation Officer for the Mississippi Band of Choctaw Indians was contacted by letter dated August 19, 2010 and requested to provide comments on the project's potential impact on cultural resources. Mr. Carleton provided an email response dated August 23, 2010 stating the Mississippi Band of Choctaw Indians has no concerns with this project. |
| | Copies of correspondence between the MDAH, Mr. Carleton, and other Indian Tribes are provided in the ERR. |
| Floodplain Management [24 CFR 55, Executive Order 11988] | The Port is located in Zone VE as reported on the FEMA's FIRMs, Map Numbers 28047C0376G and 28047C0377G effective date June 16, 2009. The Zone VE designation denotes areas of the Coastal Flood Zone with velocity hazard (wave action), with an established Base Flood Elevation (BFE). The proposed project is located within the 100-year floodplain but is not located within a floodway. |
| | Although the Port is within the 100-year floodplain, it is functionally isolated from the traditional floodplain areas north of U.S. 90. The Port is located on the Mississippi Sound which has a water surface area of approximately 470,000 acres. It is tidally influenced and affected more by tides and storm surge than floodwaters from riverine and watershed runoff. |
| | Because of the physical and hydrological characteristics of this portion of the Mississippi Sound, direct and indirect effects to |

floodplain areas outside the specific limits of this project are not anticipated. On April 15, 2009, the FEMA issued a CLOMR for a proposed project that will involve raising the existing Port to an elevation of +25 feet, extending and widening the existing structure. and deepening the ship channel to -50 feet. The letter stated that no increases in BFEs attributable to impacts of the project were identified. An increase in the BFE on 1.9 acres of Port property was due to revised modeling and mapping procedures and not from impacts caused by the project. The proposed 24-Acre Fill, New Tenant Terminals and Infrastructure Project is located within the footprint of the much larger project evaluated in the CLOMR. In accordance with the CLOMR, a complete structural stability analysis in accordance with Part 65 of the NFIP must be submitted to FEMA to support the follow-up Letter of Map Revision for the project. The MSPA will complete and submit the required structural stability analysis for the 24-Acre Fill, New Tenant Terminals and Infrastructure Project to FEMA in compliance with the CLOMR requirements. The CLOMR further states that Paragraph 60.3(e)(6) of the NFIP regulations prohibits the use of fill for structural support of buildings within SFHAs designated as Zones V, VE, and V1-V30 on the effective FIRM. Therefore, the state must ensure that structures are not erected where fill is placed in areas currently mapped as Zone VE until the FIRM is officially revised to a SFHA designated Zone AE or Zone AO. The MSPA will ensure that the proposed structures are not erected on the fill until the FIRM is officially revised to a SFHA Zone AE or AO designation. The 8-Step Decision Making Process was completed according to 24 CFR Part 55.20. Since the entire Port is located within the 100-year floodplain there are no reasonable or practicable alternatives that will eliminate the need to locate the project within the 100-year floodplain. Based on the CLOMR, the proposed project will not have any cumulative impacts on flooding within the developed portion of the floodplain area north of U.S. 90. The addition of fill at the Port will not reduce the flood storage capacity or flood flow characteristics in a way that will exacerbate flood conditions within the 100-year floodplain area north of the Port. Copies of the FEMA FIRM Maps, CLOMR, 8-Step Decision Making Process, coordination letters, and floodplain public notice are provided in the ERR. A review of the National Wetlands Inventory (NWI) maps published by Wetlands Protection the U.S. Fish & Wildlife Service (USFWS) indicates that there are no [Executive Order 11990] wetlands within the limits of the Port. A copy of the NWI map is provided in the ERR. The project is located within the Mississippi Coastal Zone as defined Coastal Zone Management Act in the Mississippi Coastal Program (MCP) of 1980. A description of [Sections 307(c), (d)] the MCP and a description of Mississippi's Coastal Zone is located in the ERR. The MCP, which is administered by the MDMR, was developed by the MDMR in accordance with the Coastal Zone Management Act of 1972, and guides and regulates the use of coastal resources in the Mississippi Coastal Zone. The MSPA received Coastal Zone Consistency (DMR-M-9707019-W) for the original 84-Acre Fill Project. The Coastal Zone Consistency statement was included in Permit MS96-02828-U issued by the USACE; however, a condition of the permit requires MDMR to reaffirm Coastal Zone Consistency prior to the MSPA commencing with the Phase III fill. A copy of the original permit and the subsequent modifications is provided in the ERR.

The MDMR was contacted by letter dated August 19, 2010 and

| | requested to provide additional comments relative to MDMR guidelines. The MDMR was provided a copy of the MSPA's September 27, 2010 letter to the USACE requesting authorization to proceed with Phase III of Permit MS96-02828-U. The MDMR responded by letter dated November 16, 2010 and advised that the Commission on Marine Resources reaffirmed certification DMR-M-9707019-W at the November 16, 2010 Commission meeting. Copies of the correspondence with the MDMR, Permit MS96-02828-U and modifications, and MSPA's September 27, 2010 letter are provided in the ERR. |
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| Sole Source Aquifers [40 CFR 149] | The U.S. Environmental Protection Agency (EPA) has designated only one Sole Source Aquifer within the State of Mississippi, the Southern Hills Regional Aquifer. The Southern Hills Regional Aquifer encompasses all or parts of Adams, Amite, Claiborne, Copiah, Franklin, Jefferson, Lincoln, Pike, Walthall, Wilkinson, Hinds, and Warren Counties in Mississippi as well as ten Parishes in Louisiana. The Southern Hills Regional Aquifer is located approximately 33 miles west of the Port at its closest point. The proposed site is not located on nor does it affect a sole source aquifer designated by EPA. A map showing the location of the Southern Hills Regional Sole Source Aquifer is provided in the ERR. |
| Endangered Species Act [50 CFR 402] | The Mississippi Department of Wildlife, Fisheries, and Parks (MDWFP), the USFWS, and the National Marine Fisheries Service (NMFS) were contacted by letter dated August 19, 2010. |
| | The MDWFP provided a response letter dated September 1, 2010 and reported that the project area was within the range of certain species of fish, birds, reptiles, and mammals that are listed as threatened or endangered. The specific species include the Gulf Sturgeon (<i>Acipenser oxyrinchus desotol</i>), Piping Plover (Charadrius melodus), Wilson's Plover (Charadrius wilsonia), Southeastern Snowy Plover (Charadrius alexandrines tenuirostris), Kemp's Ridley Sea Turtle (<i>Lepidochelys kempii</i>), Loggerhead Sea Turtle (<i>Caretta caretta</i>), Leatherback Sea Turtle (<i>Dermochelys coriacea</i>), Green Sea Turtle (<i>Chelonia mydas</i>), Hawksbill Sea Turtle (<i>Eretmochelys imbricate</i>) and West Indian Manatee (<i>Trichechus manatus</i>). |
| | Critical habitat for the Gulf Sturgeon was designated in the Mississippi Sound after the 84 acres of fill was authorized by Permit MS96-02828-U in 1998. Therefore, by letter dated September 30, 2010, the USACE requested additional Section 7 Consultation with the NMFS for the Gulf Sturgeon and its critical habitat to ensure compliance with the Endangered Species Act (ESA). The project will not impact Piping Plover, Wilson's Plover, or Southeastern Snowy Plover habitat. The MDWFP recommended that BMPs be properly implemented, |
| | monitored, and maintained to minimize negative impacts to water quality and habitat. BMPs will be used as recommended. |
| | The MDWFP also recommended that precautions be taken to ensure that dredging gear does not entrain/kill any listed species. Dredging gear (hopper dredges and hydraulic pipeline dredges) that could entrain/kill a listed species will not be used on the proposed project. |
| | The MSPA will ensure that all the conditions of Permit MS96-02828-U and modifications are met to avoid impacts to protected species. |
| | The USFWS provided an email response dated September 30, 2010 that stated: "No impacts are anticipated to federally listed threatened or endangered species or critical habitat areas." The proposed project will not impact critical habitat for the federally listed piping plover as noted in the email. The September 30 th email also provided that coordination with the NMFS should occur regarding the federally listed Gulf Sturgeon and its critical habitat and coordination with the USFWS should occur regarding mitigation measures. Additional coordination has occurred with the USFWS regarding mitigation |

measures for the 24-acre fill. The proposed Wolf River Coastal Preserve mitigation project in lieu of the Discovery Bay mitigation project is acceptable to the USFWS as documented in an October 19, 2010 email from MDMR.

Coordination with the NMFS is being conducted through the USACE permitting process as stated in the August 19, 2010 coordination letter. By letter dated September 30, 2010, the USACE requested additional ESA Section 7 Consultation with the NMFS and provided the NMFS with a copy of MSPA's September 27, 2010 letter requesting authorization to proceed with Phase III of Permit MS96-02828-U.

On July 9, 2007, NMFS issued a Biological Opinion for maintenance.

On July 9, 2007, NMFS issued a Biological Opinion for maintenance dredging of the Gulfport Harbor Federal Navigation Project including maintenance dredging of the Commercial Small Craft Harbor and Channel. The Commercial Small Craft Harbor and Channel Project is located on the north, west, and south side of the Phase III 24-acre fill area. MSPA's September 14, 2009, Maintenance Dredging Permit (SAM-2009-00433-JBM) for maintenance dredging the Port's ship berthing areas and the Commercial Small Craft Harbor and Channel utilized the July 9, 2007, Biological Opinion to address Section 7 Consultation requirements.

The 24-acre fill area is contiguous to the 60-acre fill area and the Commercial Small Craft Harbor and Channel. In order to address potential issues associated with the Gulf Sturgeon, the following documents were reviewed:

- April 19, 2004, Biological Assessment
- October 13, 2004, Biological Opinion
- July 9, 2007, Biological Opinion
- 2009 Section 7 Consultation documentation for the balance of the 60-Acre Fill Project

Based on a review of the above referenced documents, the MSPA believes the October 13, 2004, Biological Opinion adequately evaluates the effects of the proposed action and is valid. The proposed action is to fill the 24 acres of Mississippi Sound authorized under Phase III of permit MS96-02828-U and construct new tenant terminals and infrastructure.

The USACE requested additional ESA Section 7 Consultation with the NMFS by letter dated September 30, 2010. The NMFS provided an email response to the USACE dated November 19, 2010 that stated: "It is the NMFS opinion that the proposed modifications do not change the conclusions reached in the two (2) associated biological opinions (F/SER/2004/00048) and (F/SER/2007/02307) and do not require additional consultation at this time." The MSPA will continue implementing its comprehensive Mitigation Plan to mitigate for the loss of water column and water bottom habitat in accordance with Permit MS96-02828-U.

Copies of correspondence with the MDWFP, USFWS, NMFS, USACE's September 30, 2010 letter to NMFS, MDMR's October 19, 2010 email, and NMFS's November 19, 2010 email to the USACE are provided in the ERR.

Wild and Scenic Rivers Act [Sections 7(b), (c)]

Within the state of Mississippi, Black Creek is the only river system with the Wild and Scenic River designation as defined in the Wild and Scenic Rivers Act of 1968. The Black Creek is located within the DeSoto National Forest in Stone County, Mississippi, and at its closest point Black Creek is approximately 36 miles north of the Port. Accordingly, there will be no impact to wild and scenic rivers. A list of the wild and scenic rivers in Mississippi is provided in the ERR.

Air Quality

Under the Clean Air Act, the EPA established National Ambient Air

[Clean Air Act, Sections 176(c) and (d), and 40 CFR 6, 51, 93]

Quality Standards (NAAQS) that limit the concentration levels of pollutants allowed to occur in ambient air. The six criteria pollutants established by the EPA include: ozone, lead, carbon monoxide, nitrogen dioxide, sulfur oxides measured as sulfur dioxide and particulate matter of 10 and 2.5 microns. All areas within a state are designated with respect to each of these six criteria pollutants as in "attainment" (in compliance with the standards) or "non-attainment" (not in compliance with the standards), or "unclassifiable" (insufficient data to classify).

Currently, all areas of Harrison County are in attainment with the NAAQS. Potential air quality impacts from the proposed project are primarily related to increases in truck traffic during construction and after the project becomes operational. Approximately 800 truck trips per work day (400 each way) are projected during the 2-3 years when fill material is being delivered to the site, if the fill material is delivered directly to the project site by truck rather than by barge. Due to the compressed construction schedule, it is very likely that the fill material will be delivered to the project site by barge because one barge can deliver the same amount of material as 115 trucks with 20 cubic yard (CY) capacity. The most likely source of barge hauled fill material is from permitted borrow pits located near Port Bienville, approximately 30 miles west of Gulfport. This barge haul option requires the same total number of truck trips but would create less air emissions because the borrow pits are located in a rural area in close proximity to barge loading site at Port Bienville. The much shorter truck haul distance and lack of traffic congestion and stop lights would result in less air emissions.

Mississippi Sound water bottom material on the 60-acre fill site (under construction) that is structurally unsuitable for fill material is being excavated and hauled by truck to an upland disposal area. Effective July 1, 2010, Mississippi (Miss. Code 49-27-61) requires beneficial use of dredged material over 2,500 CY or payment of \$0.25/CY to the State. So in the future these materials are likely to be excavated and hauled by barge to a MDMR permitted beneficial use area located at Deer Island in Mississippi Sound. Moving the unsuitable material to the beneficial use area by barge would cause less air emissions than hauling the material by truck and would use the material for a beneficial purpose.

The projected truck traffic volumes are 1,230 trucks/day (615 each way) when the project becomes operational in about six years and 2,260 trucks/day (1,130 each way) when the project reaches full capacity in 15-30 years. The additional truck traffic will be traveling on the controlled access I-10/SR 601 Connector Road that is currently under construction, thus avoiding the increased air emissions due to stop and go traffic. The additional truck traffic will cause minor increased air emissions. The MDOT's EA/FONSI for the I-10/SR 601 Connector Road determined that the project will have no adverse impact on air quality and the NAAQS will not be exceeded.

Additional rail traffic will cause minor increased air emissions with two trains per day when the project becomes fully operational in six years and increasing to four trains/day when the project reaches capacity in 15-30 years. Increased ship and private vehicle traffic will also cause a minor increase in air emissions.

The 24-Acre Fill, New Tenant Terminals and Infrastructure Project is expected to have a minor adverse impact on air quality but will not result in the NAAQS being exceeded.

Implementation of the proposed project may also create minor impacts to local air quality during the construction phase of the project. The construction activities may generate fugitive dust during

grading of exposed areas of the ground during dry conditions. BMPs will be used, as required, to control fugitive dust.

The MDEQ was contacted by letter dated August 19, 2010 for a determination regarding air quality issues associated with the project and/or the project area. The MDEQ responded by letter dated October 14, 2010 and indicated that the project will cause no significant adverse ambient air quality impacts provided no air emissions equipment is installed without obtaining required permits and any building demolition or renovation complies with MDEQ's asbestos and lead-based paint regulations. The proposed project does not include air emissions equipment that would require an MDEQ air permit. The MSPA will ensure that proposed demolition activities comply with MDEQ's asbestos and lead-based paint control regulations. A copy of the correspondence with the MDEQ is provided in the ERR.

Farmland Protection Policy Act [7 CFR 658]

The Port is constructed on fill over former Mississippi Sound water bottoms and beach and is located within the city limits of Gulfport. Gulfport is located within Gulfport-Biloxi, MS Metropolitan Statistical Area (MSA) #250560. The Port is zoned I-2, heavy industry, according to the City of Gulfport Zoning Map. The proposed project will not impact any prime or unique farmland, or other farmland of statewide or local importance as identified by the Natural Resources Conservation Service (NRCS). Copies of maps showing the MSA and zoning are provided in the ERR.

Environmental Justice [Executive Order 12898]

Executive Order (EO) 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, is designed to focus the attention of federal agency actions that may result in a disproportionately high and adverse human health or environmental effects on minority and low-income populations. A Census Tract is considered to have a disproportionate percentage of minority populations under either of two conditions: (1) the percentage of persons in minority populations in the Census Tracts exceeds the percentage in the county, or (2) the percentage of minority populations in the Census Tract exceeds 50 percent. The Port lies within the Census Tract 14, Harrison County, Mississippi. According to U.S. Census Bureau data for the 2000 Census, the total population for Census Tract 14 was 4,215 with a minority population of 497 individuals (11.8%). The proposed action will not negatively impact a disproportionately high number of minority or low-income residents. Based on the 2000 Census, Census Tract 14 is not considered to be a Census Tract with a disproportionately high percentage of minority populations. The percentage of minority populations in Harrison County is 26.9 percent, therefore Census Tract 14, with a minority percentage of 11.8 percent is not considered to have a disproportionately high minority population. Census Tract 14 has a median family income of over \$30,341 compared to \$32,779 for City of Gulfport and \$35,624 for Harrison County: therefore, the proposed action will not have a disproportionate impact on low income residents. Also, there are no relocations required for the propose project. A copy of the Census Tract Data is provided in the ERR.

HUD Environmental Standards Determination and Compliance Documentation

| Noise Abatement and Control |
|------------------------------------|
| [24 CFR 51 B] |

According to the City of Gulfport Zoning Map, the Port is zoned I-2, heavy industry, and no permanent residents are located within the limits of the project boundaries. While the project site is in close proximity to major roadways, and commercial development, the noise is not considered excessive. Noise levels are generally higher when ships are being loaded and unloaded and when cargo is being transported off port by rail and trucks.

The primary contribution to community noise levels during construction

will be from additional truck traffic. The proposed project will generate approximately 800 truck trips per work day (400 each way) during construction, if the fill material is delivered to the Port by truck rather than by barge. This represents a one percent increase over the current AADT on U.S. 49 near I-10 and a two percent increase over current AADT on U.S. 49 near downtown. A temporary increase in truck traffic would also occur on 30th Avenue and 28th Street during construction. The additional truck traffic will create a temporary increase in noise levels during the 2-3 year construction period, if the fill material is delivered to the project site by truck. Due to the compressed construction schedule, it is very likely that the fill material will be delivered to the project site by barge because one barge can deliver the same amount of material as 115 trucks. The most likely source of barge hauled fill material is from permitted borrow pits located near Port Bienville, approximately 30 miles west of the Gulfport. This barge haul option requires the same total number of truck trips but would have reduced noise impacts because there are very few noise receptors located along the rural route between the borrow pit area and the barge loading site at Port Bienville.

Mississippi Sound water bottom material on the 60-acre fill site (under construction) that is structurally unsuitable for fill material is being excavated and hauled by truck to an upland disposal area. Effective July 1, 2010, Mississippi (Miss. Code 49-27-61) requires beneficial use of dredged material over 2,500 CY or payment of \$0.25/CY to the State. So in the future these materials are likely to be excavated and hauled by barge to a MDMR permitted beneficial use area located at Deer Island in Mississippi Sound. Moving the unsuitable material to the beneficial use area by barge would virtually eliminate noise impacts because there are no noise receptors along the transportation route. The much shorter truck haul distance and the lack of stop lights and traffic congestion would result in less air emissions.

Following construction, the primary source of noise contributing to community noise levels will be from the additional truck traffic generated by the proposed project: 1,230 trucks/day (615 each way) when the project becomes operational in about six years and 2,260 trucks/day (1,130 each way) when the project reaches full capacity in 15-30 years. The trucks will use the controlled access I-10/SR 601 Connector Road which will eliminate noise on local streets due to the trucks. Truck traffic from the proposed project is not expected to have a major noise impact along the I-10/SR 601 Connector Road. The MDOT evaluated noise impacts for the I-10/SR 601 Connector Road project and the FHWA made a finding of no significant impact based on the evaluation. Increased rail, ship and private vehicle traffic will also cause a minor increase in noise levels.

Implementation of the proposed action will result in intermittent increased noise levels during construction activities. This level of noise will be limited to the construction period and only minor noise impacts are anticipated for areas in the immediate vicinity of the site.

This proposed project is not a noise sensitive project, and the current and anticipated future noise levels should not negatively impact this project.

Toxic/Hazardous/Radioactive Materials, Contamination, Chemicals or Gases [24 CFR 58.5(i)(2)] There are no industrial or manufacturing facilities present at the Port that generate hazardous waste. Additionally, there are no industrial or manufacturing facilities within 1 mile of the site that generate hazardous waste, toxic substances, or radioactive materials that will negatively impact the Port. Some of the tenants at the Port generate small quantities of hazardous wastes such as used oil and solvents. Also, some of the tenants utilize above ground storage tanks (AST's) to store fuel. The quantities of these materials are considered small and tenants at the Port are responsible for hazardous waste management. Some equipment used for cargo inspection may contain small

| | quantities of radioactive materials. This equipment is used primarily by the Department of Homeland Security and it is operated in accordance with the equipment manufacturers' guidelines. The MDEQ was contacted by letter dated August 19, 2010 and asked to provide comments and/or information regarding toxic or hazardous materials conditions within the study area. The MDEQ's response letter dated October 14, 2010 did not address toxic or hazardous materials conditions within the study area. A review of MDEQ's CERCLA/ Uncontrolled Sites File List for Harrison County identified potential UST and uncontrolled sites on or in close proximity to the North Harbor area. An Environmental FirstSearch review of federal and state environmental databases identified additional potential sites in the North Harbor area. No known hazardous waste sites were identified that represent a potential impact to the West Pier area. The transportation and utility corridor from the West Pier area to U.S. 90 runs across the North Harbor area. The MSPA will conduct an Environmental Site Assessment of the selected transportation and utility corridor alignment and the West Pier area before any construction activities are allowed to help ensure worker safety. A copy of the correspondence with the MDEQ, MDEQ's CERCLA/Uncontrolled Sites File List and map, and Environmental FirstSearch maps are provided in |
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| Siting of HUD-Assisted Projects near Hazardous Operations [24 CFR 51 C] | the ERR. A field survey of the project area was conducted to identify ASTs within a one mile radius of the Port. Several ASTs containing natural gas, diesel or gasoline were identified. The closest AST is a small 300 gallon fuel tank located approximately 1,600 feet from the north of the Port. Preliminary calculations of the acceptable separation distances between the most critical AST of each type and the proposed project were made using the HUD Acceptable Separation Distance (ASD) Electronic Assessment Tool. The results show a maximum ASD of approximately 275 feet for Blast Over Pressure (ASDBOP), a maximum ASD of approximately 722 feet for Thermal Radiation for People (ASDPPU), and a maximum ASD of approximately 146 feet for Thermal Radiation for Buildings (ASDBPU). Thus, the ASD is sufficient to allow for safe operation on the proposed project area. The ASD assessment calculations are provided in the ERR. |
| | Information provided by the MSPA indicates that some of the tenants maintain mobile AST's that store diesel fuel and gasoline for their equipment. The ASTs are not pressurized and do not have containment dikes. A preliminary calculation of the acceptable separation distance between the AST and the proposed project using the HUD Acceptable Separation Distance (ASD) Electronic Assessment Tool indicates an ASD of approximately 207 feet for Thermal Radiation for People (ASDPPU) and an ASD of approximately 36 feet for Thermal Radiation for Buildings (ASDBPU). Tenant ASTs located on the West Pier will be relocated or replaced at a site that will allow for safe operations on the proposed project area. The ASD assessment calculation is provided in the ERR. |
| Airport Clear Zones and Accident Potential Zones [24 CFR 51 D] | The project site is not located within 2,500 feet of the end of a civil airport runway or 8,000 feet of the end of a military airfield runway. The Gulfport/Biloxi International Airport is located approximately 3.5 miles northeast of the Port. Keesler AFB is located in Biloxi approximately 10.5 miles east of the Port. A copy of a flight plan map which shows the Port's location relative to the end of the civil airport runways at Gulfport/Biloxi International Airport and the end of the military airfield runways at Keesler AFB is provided in the ERR. |

Environmental Assessment Checklist

[Environmental Review Guide HUD CPD 782, 24 CFR 58.40; Ref. 40 CFR 1508.8 &1508.27]

Evaluate the significance of the effects of the proposal on the character, features and resources of the project area. Enter relevant base data and verifiable source documentation to support the finding. Then enter the appropriate impact code from the following list to make a determination of impact. **Impact Codes: (1)** - No impact anticipated; **(2)** - Potentially beneficial; **(3)** - Potentially adverse; **(4)** - Requires mitigation; **(5)** - Requires project modification. Note names, dates of contact, telephone numbers and page references. Attach additional material as appropriate. Note conditions or mitigation measures required.

| Land Development | Code | Source or Documentation |
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| Conformance with Comprehensive Plans and Zoning | 1 | According to the City of Gulfport Zoning Map, the Port is zoned I-2, heavy industry. Land uses surrounding the Port primarily consist of general business, commercial uses, recreational marinas, and recreational beaches. The proposed action is consistent with the existing land uses for the Port. Initial coordination with the City of Gulfport indicates that the City will have no objection to the proposed action. The project is also consistent with the MSPA's PGRP for Port development. A copy of the City of Gulfport Zoning Map is provided in the ERR. |
| Compatibility and Urban Impact | 1 | The Port is a deepwater seaport located on the northern shore of the Mississippi Sound in the City of Gulfport, Mississippi. The Port is approximately 16 miles from the Gulf of Mexico shipping lanes and is located within the physiographic region commonly referred to as the Coastal Lowlands subdivision of the East Gulf Coastal Plain section of the Coastal Plain Province. This area has very little relief and is characterized by flat to gently undulating Coastal Lowlands underlain by alluvial, deltaic, estuarine, and coastal deposits. The proposed action will allow the MSPA to provide new tenant terminal facilities at an elevation above the 100-year floodplain. The proposed project is compatible with local zoning and will not negatively impact the urban setting. The proposed project is also compatible with plans by the MSPA to restore and revitalize the Port after Hurricane Katrina. Completion of the proposed project will not cause any substantial cumulative effects. The project will provide more hurricane resilient terminal facilities for the Port's tenants. While it is anticipated that the Port's tenants will experience a substantial growth rate, the increase in container throughput should not negatively impact the surrounding urban setting, or cause any conflicts with the ongoing redevelopment of the Gulfport Central Business District. |
| Slope | 1 | The soils at or near the Port consist of sandy loams and hydraulic fill material, which was placed on the site during the construction of the Port. Surface soils on the Port are relative flat at approximately elevation +10 feet except at the Port boundary where there is either a vertical bulkhead or a rip-rap protected slope of approximately 1-vertical to 4-horizontal. The surface soils at the project site consist primarily of sandy fill material from commercial borrow pits. The NRCS Soil Survey for Harrison County indicates that the major soil types found near the project site include Lakeland fine sand and Latonia sandy loam. These soils formed on sand and sandy loam and have slopes that range from 0-5%. Soil descriptions and soil characteristics for Lakeland fine sand and Latonia sandy loam are provided in the ERR. |
| Erosion | 1 | Natural soils at the Port have been covered with construction fill over time and are no longer exposed to erosive forces of winds and waves. Existing fill at the Port is protected from erosion by bulkheads or rip-rap material. The outer slopes of the 60-Acre Fill Project currently under construction are being protected from erosion with rip-rap. The new fill material for the proposed project will be stabilized and the side slopes will be stabilized with rip-rap or |

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| | | other suitable materials to prevent erosion. The MSPA will update its SWPPP, as required, and will manage erosion, sedimentation, and stormwater runoff in accordance with MDEQ stormwater requirements. The plan will include BMPs to minimize negative impacts of stormwater runoff. |
| Soil Suitability | 1 | Historically, soils used for fill at the Port have been suitable for industrial uses and anticipated loads for containers stored at the Port. Additional subsurface exploration is being conducted at the project site by a geotechnical engineering firm and the proposed project will be designed to ensure soil stability based on soil conditions encountered at the site. |
| Hazards and Nuisances including Site Safety | 3 | Odor: No unusual odors which will negatively impact the Port or surrounding areas are anticipated. Most of the cargo moving through the Port consists of bulk, break-bulk and containers with green fruit being a major import item. |
| | | Hazardous Waste: There are no industrial or manufacturing facilities present at the Port that generate hazardous waste. Some small quantities of used oil and fuels may be present at various times at the Port, however, the quantities are very small. The selected project contractor will be responsible for managing any hazardous waste generated on the site during construction. |
| | | Traffic: Transportation opportunities in the vicinity of the Port include major highways, local roads, and city streets, rail service, air transportation, and a federal navigation channel. |
| | | The MDOT, the Gulf Regional Planning Commission, the City of Gulfport, and others have proposed transportation improvement projects for the City of Gulfport and the Port. The MDOT is currently acquiring right-of-way and is expected to start construction of the I-10/SR 601 Connector Road between I-10 and the Port in the near future. The stated purposes for construction of the Connector Road include removing truck traffic from local roads, alleviating congestion on U.S. 49 in Gulfport, and increasing the efficiency of truck traffic movements between the Port and I-10. |
| | | An increase in local motor vehicle traffic to the area is anticipated during construction. The proposed project will generate approximately 800 truck trips per work day (400 each way) during construction, if the fill material is delivered to the Port by truck rather than by barge. This represents a one percent increase over the current Annual Average Daily Traffic (AADT) on U.S. 49 near I-10 and a two percent increase over current AADT on U.S. 49 near downtown. A temporary increase in truck traffic would also occur on 30 th Avenue and 28 th Street during construction. If the fill material is delivered to the Port by barge, the traffic hazards and nuisances associated with the trucks would likely occur in the Port Bienville area. Only minor impacts are expected due the rural industrial nature of the area and the short haul distances involved. Moving the unsuitable material to the beneficial use area by barge would also eliminate traffic hazards and nuisances associated with trucks. |
| | | Following construction, traffic levels in the project area are expected to increase substantially over the No Action Alternative. Increased truck traffic will use the controlled access I-10/SR 601 Connector Road rather than U.S 49 and local streets currently used. |
| | | Approximately 50 percent of the containers are projected to move by rail when the proposed project becomes operational. This will result in two additional trains per day when the proposed project becomes fully operational, increasing to four trains/day when the project reaches full capacity in 15-30 years. |

| | | Natural Hazards: The site is located along the shoreline of the Mississippi Sound and is subject to impacts from hurricanes and |
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| | | storm tides. The MSPA is cognizant of the potential damage from natural storm related conditions and will elevate the facilities above the 100-year floodplain and use construction techniques to minimize impacts from natural hazards. |
| Energy Consumption | 1 | The proposed project should not cause a substantial increase in energy consumption. The majority of the energy consumption will be fossil fuels used to operate construction equipment and trucks transporting containers to and from the Port after construction is complete. A slight decrease in energy consumption would be expected if fill material and unsuitable material is transported by barge rather than by truck. |
| Noise - Contribution to Community Noise Levels | 3 | Noise levels in and around the Port are characteristic of a major shipping port. While the project site is in close proximity to major roadways, railroads, commercial development, and a civilian/military airport, the noise is not considered excessive. Noise levels are generally higher when ships are being loaded and unloaded and when cargo is being transported off-port. |
| | | The primary contribution to community noise levels during construction will be from additional truck traffic. The proposed project will generate approximately 800 truck trips per work day (400 each way) during construction, if the fill material is delivered to the Port by truck rather than by barge. This represents a one percent increase over the current AADT on U.S. 49 near I-10 and a two percent increase over current AADT on U.S. 49 near downtown. A temporary increase in truck traffic would also occur on 30 th Avenue and 28 th Street during construction. The additional truck traffic will create a temporary increase in noise levels during the 2-3 year construction period, if the fill material is delivered to the Port by barge, the noise impacts associated with the trucks would occur in the Port Bienville area. The barge haul option requires the same total number of truck trips but would have reduced noise impacts because there are very few noise receptors located along the rural route between borrow pit area and the barge loading site at Port Bienville. Moving the unsuitable material to the beneficial use area by barge would virtually eliminate noise impacts because there are no noise receptors along the transportation route. |
| | | Following construction, the primary source of noise contributing to community noise levels will be from the additional truck traffic generated by the proposed project: 1,230 trucks/day (615 each way) when the project becomes operational in about six years and 2,260 trucks/day (1,130 each way) when the project reaches full capacity in 15-30 years. The trucks will use the controlled access I-10/SR 601 Connector Road which will eliminate noise on local streets due to the trucks. Truck traffic from the proposed project is not expected to have a major noise impact along the I-10/SR 601 Connector Road. Noise studies conducted for the I-10/SR 601 Connector Road project determined that traffic noise impacts would occur at eight (8) occupied facilities for the no build alternative and at 15 occupied facilities for the preferred alternative. The MDOT noise study concluded that "no reasonable and feasible noise mitigation measures exist for this project. As the project is further developed, this issue will be re-evaluated." MDOT agreed to re-evaluate the noise issue for the I-10/SR 601 Connector Road which will include a re-evaluation of potential noise mitigation measures. Noise mitigation measures will be incorporated into the I-10/SR 601 Connector Road project if they are determined to be reasonable and feasible during the re-evaluation. Increased rail ship and private |
| | | feasible during the re-evaluation. Increased rail, ship and private vehicle traffic will also cause a minor increase in community noise levels. |

| | | Implementation of the proposed action will result in intermittent increased noise levels during construction activities. This level of noise will be limited to the construction period and only minor noise impacts are anticipated for areas in the immediate vicinity of the site. This proposed project is not a noise sensitive project, and the current and anticipated future noise levels should not negatively impact this project. |
|--|---|--|
| Air Quality Effects of Ambient Air Quality on Project and Contribution to Community Pollution Levels | 3 | The majority of the activities affecting air quality will involve loading, unloading and moving containers. Potential air quality impacts from the proposed project are primarily related to increased truck traffic, both during construction and after the project is operational. The proposed project is expected to have a minor adverse impact on air quality but will not result in the NAAQS being exceeded. A slight decrease in air quality impacts would be expected if fill materials and unsuitable materials are transported by barge rather than by truck. Completion of the 24-Acre Fill, New Tenant Terminals and Infrastructure Project may create minor impacts to local air quality during the construction phase of the project. The construction activities may generate fugitive dust during grading of exposed areas of the ground during dry conditions. Fugitive dust emissions |
| | | are considered a short-term impact that can be managed by using BMPs to control dust at the construction site. |
| Environmental Design Visual Quality - Coherence, Diversity, Compatible Use and Scale | 1 | The +25.0 foot fill area will be bounded by a slope and a bench area at elevation +10.0 feet to provide geotechnical stability and access. The sloped areas will be covered with geo-maze material to provide slope stability. The material used will also allow the slope to be vegetated. The bench area will be wide enough to develop areas for public access and landscaping as well as providing stormwater treatment. Landscaping along the bench area could include native trees. The landscaping will provide a vegetative screen of the Port facilities which will enhance the public's view from U.S. 90 and the Island View Casino. |
| | | The project will provide a benefit by developing public access along the north and west side of the West Pier, which will include bicycle and walking paths, fishing areas, boardwalks, and wildlife observation areas. Providing public access to the West Pier will enrich the City of Gulfport by adding new green space and expanding the greenway along U.S 90. |
| | | The project will not substantially change the visual quality along the shoreline of the Mississippi Sound in the immediate vicinity of the project. Elevation of the project site to +25 feet will change the view shed but the overall impact to the visual quality of this part of the Mississippi Gulf Coast should be minimal. The project is consistent with previous construction projects at the Port and the completion of the proposed project is considered compatible with the historic uses of the Port property. |

| Socioeconomic | Code | Source or Documentation |
|-------------------------------|------|---|
| Demographic Character Changes | | Anticipated changes to the environmental setting for this proposed project include elevating the West Pier area to +25 feet to make the Port more hurricane resilient. The proposed action will allow the MSPA to make improvements to the harbor facilities and provide increased efficiency for tenants at the Port. No changes to the demographic character of the area in the vicinity of Port are anticipated. |

| Displacement | 1 | The project will not displace any residents or residential property in the area. The Port is zoned industrial and the adjoining property is zoned as commercial use. |
|--------------------------------|---|---|
| Employment and Income Patterns | 2 | The proposed project will elevate facilities and container storage above the 100-year floodplain thus making the Port more hurricane resilient and more efficient. The increase in efficiency will allow tenants to increase throughput. This increase in cargo will provide job opportunities and additional income to the Port and the City of Gulfport, Mississippi. |

Community Facilities

| and Services | Code | Source or Documentation |
|------------------------|------|---|
| Educational Facilities | 1 | The proposed project will not negatively impact educational facilities, nor will it cause an increase in the need for new or expanded educational facilities within the community. |
| Commercial Facilities | 2 | The proposed project will provide additional opportunities for Port growth which will provide increased opportunities for commercial facilities that support the maritime activities at the Port. |
| Health Care | 1 | The project will not negatively impact health care facilities, nor will it result in changes to the existing health care system within the community. |
| Social Services | 1 | The project will not place an increased demand on existing social services, nor will it result in a change to the existing social services network within the community. |
| Solid Waste | 1 | Various types of non-hazardous solid wastes are generated at the Port. The majority of the solid waste consists of cardboard and other packing materials associated with cargo handling. Tenants which generate large quantities of solid waste at the Port must contract separately with a waste management company for the collection and disposal of the solid waste. The New Tenant Terminals will ship containerized cargo which generates very little solid waste. |
| Wastewater | 1 | The Gulfport South Wastewater Treatment Plant, which serves the Port, is operated by the Harrison County Utility Authority (HCUA) and has a seasonal permitted discharges of 10.5 million gallons per day (May - October) and 16.0 million gallons per day (November - April). The proposed project will generate a slight increase in the amount of wastewater. |
| Stormwater | 4 | MSPA will revise their SWPPP, as required, and manage erosion, sedimentation, and stormwater runoff in accordance with MDEQ stormwater requirements. During construction, the site contractor will be required to comply with the provisions of the SWPPP. |
| | | The proposed project will impact the existing stormwater treatment system on the West Pier. The MSPA will implement a comprehensive stormwater management plan and treat the run-off from impervious surfaces in accordance with MDEQ requirements. A new stormwater treatment system will be designed to meet or exceed MDEQ stormwater treatment requirements. |
| Water Supply | 1 | The City of Gulfport is currently supplying nearly 64,000 residents with potable water from the public water system. The Port maintains a 500,000 gallon elevated water tank which is supplied by a groundwater well and is located in the central area of the West Pier. The proposed project will not cause a significant increase in water usage and will not impact the overall water supply. The elevated water tank will be replaced as part of the proposed project. |
| Public Safety | 1 | The Port is within the jurisdiction of the Gulfport Police Department. |

| T | 1 | |
|--|---|--|
| - Police | | The MSPA works in cooperation with the Gulfport Police Department and the Department of Homeland Security to implement safety and security programs for the Port. The proposed project will not increase demands on police service in the community and will not decrease the overall public safety at the Port. |
| - Fire | 1 | The proposed project will not increase demands on fire protection in the community. The Port has a fire protection and fire suppression system in place and it works in cooperation with the City of Gulfport Fire Department to address fire protection in and around the Port. The proposed project will be designed to provide an adequate fire protection and fire suppression system. |
| - Emergency Medical | 1 | No increase in emergency medical response actions are anticipated for this project. |
| Open Space and Recreation - Open Space | 4 | The proposed project will result in a reduction of open water habitat in the Mississippi Sound. The MSPA has taken steps to mitigate the loss of open water habitat by implementing a comprehensive mitigation plan that provides enhancements to estuarine habitat. |
| - Recreation | 1 | While there will be a loss of open water habitat, the loss will not negatively impact recreational fishing and boating. |
| - Cultural Facilities | 1 | The project will not negatively impact cultural facilities. |
| Transportation | 3 | Transportation infrastructure in the vicinity of the Port includes major highways, local roads, and city streets, rail service, air transportation and a federal navigation channel. Interstate 10, located approximately 5 miles north of the project site, is a major east-west highway with an AADT of 49,000 and 66,000 vehicles per day west and east of U.S. 49, respectively. U.S. 49 terminates at U.S. 90, east of the Port entrance, and is a major north-south highway with an AADT of 32,000 vehicles per day near downtown and 60,000 vehicles per day near I-10. The proposed project will be located south of U.S. 90 which is a major east-west corridor adjacent to Mississippi Sound with an AADT of 22,000 vehicles per day near the Port. MDOT is currently implementing roadway improvements between the Port and I-10 at the Canal Road Interchange. The I-10/SR 601 Connector Road is planned to support the existing facilities on the Port and will facilitate the movement of truck traffic between I-10 and the Port. Right-of-way is currently being purchased for the first phase of construction. It is assumed the Connector Road will be under construction soon and completed before the proposed project is operational. |
| | | The proposed project will generate approximately 800 truck trips per work day (400 each way) during construction, if the fill material is delivered to the Port by truck rather than by barge. This represents a one percent increase over the current AADT on U.S. 49 near I-10 and a two percent increase over current AADT on U.S. 49 near downtown. A temporary increase in truck traffic would also occur on 30 th Avenue and 28 th Street during construction. If the fill material is delivered to the Port by barge, the same total number of truck trips would occur along the rural route between the borrow pit area and the barge loading site at Port Bienville. Moving the unsuitable material to the beneficial use area by barge would eliminate the truck traffic from this source. The tenants are projected to generate from 1,230 trucks per day (615 each way) after construction is completed to 2,260 trucks per day (1,130 each way) when the project reaches capacity in 15-30 years. These trucks will use the controlled access I-10/SR 601 Connector Road. The KCS mainline track between Gulfport and Hattiesburg is being upgraded to allow a design speed of 49 MPH and to allow |
| | | containers to be double-stacked. In the future, approximately 50 percent of the containers are expect to move by rail resulting in two |

| I | additional trains per day when the project becomes operational and |
|---|---|
| I | increasing to four trains per day when the proposed project reaches |
| I | capacity in 15-30 years. |

The Gulfport Harbor Federal Navigation Project (Federal Project) is currently 36 feet deep by 220 feet wide in the Mississippi Sound but is being widened by the USACE to 300 feet. In future the Federal Project may be expanded by the USACE to include additional deepening and widening to accommodate larger ships if it can be economically justified and it is authorized and funded by Congress. The 24-Acre Fill, New Tenant Terminals and Infrastructure Project has independent utility and does not depend on future projects that may be undertaken by the USACE. Any future USACE project will be evaluated under a separate NEPA document.

| Natural Features | Code | Source or Documentation |
|-----------------------------|------|---|
| Water Resources | 1 | Within the Gulfport-Biloxi-Ocean Springs coastal area, groundwater is obtained primarily from deep wells in the Miocene aquifer. The groundwater resources are considered sufficient to provide potable water for the area and no shortages of groundwater have been identified. The proposed project will not negatively impact water resources in the vicinity of the Port. |
| Surface Water | 4 | The major surface water resource in the vicinity of the Port is the Mississippi Sound. The Mississippi Sound is a shallow coastal lagoon approximately 80 miles long by approximately 9 miles wide which is separated from the Gulf of Mexico by a chain of barrier islands. The sound has a average water depth of only 10 feet at mean low water, and more than 99% of the Mississippi Sound is shallower than 20 feet at mean low water. The approximately 470,000-acre Mississippi Sound receives both high salinity waters from the Gulf of Mexico and freshwater from coastal streams and rivers which drain some 20,000 square miles of land area. The high salinity water from the Gulf of Mexico enters the Mississippi Sound through deep passes between the barrier islands where it mixes with freshwater runoff and river discharges to form a large estuarine basin. The 24-acre portion of the project will result in a loss of 0.00005 percent Mississippi Sound waters and water bottoms. The MSPA will continue to implement the Mitigation Plan in accordance with Permit MS96-02828-U to mitigate for these losses. The MDEO was contacted by letter dated August 19, 2010 for a |
| | | The MDEQ was contacted by letter dated August 19, 2010 for a determination regarding water quality issues associated with the project and/or the project area. The MDEQ responded by letter dated October 14, 2010 stating that MDEQ does not anticipate any adverse impacts to water quality for the proposed project provided the MSPA complies with the conditions of Section 401 Water Quality Certifications dated November 20, 1997 and July 12, 2004. The MSPA will continue to meet the requirements contained in the referenced MDEQ Water Quality Certifications and will meet MDEQ water quality criteria during construction and operation of the proposed project. The MSPA will implement BMPs during construction to minimize potential impacts to water quality in the Mississippi Sound and the proposed project will be designed to comply with MDEQ stormwater treatment requirements. A copy of the correspondence with the MDEQ and the MDEQ Water Quality Certifications are provided in the ERR. |
| Unique Natural Features and | 1 | No unique natural features or agricultural lands will be impacted by |

| Agricultural Lands | | this project. |
|-------------------------|---|---|
| Vegetation and Wildlife | 4 | Wildlife resources in the vicinity of the Port are limited to shorebirds and wading birds. Common birds include herons, egrets, terns, gulls, and black skimmers. Due to the developed nature of the Port and the City of Gulfport, very few terrestrial mammals can be found in the vicinity of the project area. The proposed project will not impact vegetation or terrestrial wildlife. |
| | | Marine mammals typically found in the nearshore waters of the Mississippi Sound include the Atlantic Bottlenose Dolphin (<i>Tursiops truncatus</i>) and the Atlantic Spotted Dolphin (<i>Stenella plagiodon</i>). A number of whales are also known to occur offshore and occasionally within the Mississippi Sound, and Florida Manatee (<i>Tricheucus manatus latirostris</i>) has been recorded from the estuarine waters of Mississippi on several occasions. Although marine turtles occasionally enter estuaries, they generally prefer higher salinity waters such as those of the Gulf of Mexico. Five species of turtles, including the Loggerhead (<i>Caretta caretta</i>), Green (<i>Chelonia mydas</i>), Hawksbill (<i>Eetmochelys imbricata</i>), Leatherback (<i>Dermochelys coriacea</i>), and the Atlantic Ridley (<i>Lepidochelys kempi</i>) have been reported for the Mississippi Sound. Due to the developed nature of the area, vegetation such as emergent wetlands or forested areas are not present. There are no submerged grass beds in this area of the Mississippi Sound. Generally, the submerged grasses are restricted to the northern shores of the barrier islands south of the Gulfport Harbor. Typical submerged vegetation include Turtle Grass (<i>Thalassia testudinum</i>), Manatee Grass (<i>Cymodocea manatorum</i>), Shoal Grass (<i>Haladoule wrightii</i>), and Widgeon Grass (<i>Ruppia maritima</i>). |
| | | There will be a temporary localized increase in turbidity during construction which will cause some minor impacts. Mobile aquatic organisms will be able to avoid the project area during construction. There will be a permanent loss of 24 acres of Mississippi Sound. The Port is currently implementing a Mitigation Plan that will provide enhanced estuarine habitat that will compensate for the environmental impacts of this project. |
| | | The proposed project will not cause any long term impacts to aquatic resources. BMPs will be used to treat stormwater runoff during construction and the proposed project will be designed to comply with MDEQ stormwater treatment requirements. |
| | | The Mississippi Sound is designated as critical habitat for the Gulf Sturgeon (68 FR 13370 March 19, 2003). Permit MS96-02828-U provides that Phase III construction shall not begin until ESA Section 7 Consultation between the USACE and the NMFS has been completed. By letter dated September 27, 2010, the MSPA requested authorization to proceed with Phase III. The following evaluation was prepared and submitted with the authorization request. |
| | | On April 19, 2004, a Biological Assessment was completed for the Berth 7 Dredging Project that was authorized by Permit MS01-03200-U. The Berth 7 Dredging Project included the discharge of dredged material into the 60-acre fill area authorized for Phases I and II of Permit MS96-02828-U. On October 13, 2004, NMFS issued a Biological Opinion for the Berth 7 Dredging Project based on the Biological Assessment and other project information. The Biological Opinion concluded that NMFS "does not expect measurable impacts to Gulf sturgeon critical habitat as a result of impacts to water quality, migratory pathways, sediment quality, or abundance of prey items related to this project." The Biological Opinion also concluded that the proposed action "will not reduce the critical habitat's ability to support the Gulf sturgeon's conservation" |

and "is not likely to destroy or adversely modify designated Gulf sturgeon critical habitat."

Additional Section 7 Consultation occurred during preparation of a HUD EA for the balance of the 60-Acre Fill project required for the release of HUD funds to complete the filling of the 60 acres authorized by Phases I and II of Permit MS96-02828-U. During Section 7 Consultation for the balance of the 60-Acre Fill project, NMFS determined that the October 13, 2004, Biological Opinion "adequately analyzed the effects and is still valid."

On July 9, 2007, NMFS issued a Biological Opinion for maintenance dredging of the Gulfport Harbor Federal Navigation Project including maintenance dredging of the Commercial Small Craft Harbor and Channel. The Commercial Small Craft Harbor and Channel Project is located on the north, west, and south side of the Phase III 24-acre fill area. MSPA's September 14, 2009, Maintenance Dredging Permit (SAM-2009-00433-JBM) for maintenance dredging the Port's ship berthing areas and the Commercial Small Craft Harbor and Channel utilized the July 9, 2007, Biological Opinion to address Section 7 Consultation requirements.

The 24-acre fill area is contiguous to the 60-acre fill area and the Commercial Small Craft Harbor and Channel. In order to address potential issues associated with the Gulf Sturgeon, the following documents were reviewed:

- April 19, 2004, Biological Assessment
- October 13, 2004, Biological Opinion
- July 9, 2007, Biological Opinion
- 2009 Section 7 Consultation documentation for the balance of the 60-Acre Fill Project

Based on a review of the above referenced documents, the MSPA believes the October 13, 2004, Biological Opinion adequately evaluates the effects of the proposed action and is valid. The proposed action is to fill the 24 acres of Mississippi Sound authorized under Phase III of permit MS96-02828-U and construct new tenant terminals and infrastructure.

The USACE requested additional ESA Section 7 Consultation with the NMFS by letter dated September 30, 2010. The NMFS provided an email response to the USACE dated November 19, 2010 that stated: "It is the NMFS opinion that the proposed modifications do not change the conclusions reached in the two (2) associated biological opinions (F/SER/2004/00048) and (F/SER/2007/02307) and do not require additional consultation at this time." The MSPA will continue implementing its comprehensive Mitigation Plan to mitigate for the loss of water column and water bottom habitat in accordance with Permit MS96-02828-U.

| Other Factors | Code | Source or Documentation |
|---|------|---|
| Flood Disaster Protection Act [Flood Insurance] [§58.6(a)] | 2 | The proposed project will be located within the 100-year floodplain. The 8-Step Decision Making Process was completed in accordance with 24 CFR Part 55.20. Since the entire Port is located within the 100-year floodplain there are no reasonable or practicable alternatives that will eliminate the need to locate the project within the 100-year floodplain. The proposed project will elevate the project site above the 100-year floodplain. |
| Coastal Barrier Resources Act/ Coastal Barrier Improvement Act [§58.6(c)] | 1 | In 1982 the Coastal Barrier Resources Act (CBRA) was created to preserve barrier systems. The CBRA designates coastal barrier resource systems ineligible for direct or indirect federal financial assistance. The proposed project area is located on the northern shore of the Mississippi Sound south of U.S. 90. Cat Island, located approximately 9 miles south of the Port, is the closest segment of the designated coastal barrier system. Based on the location of the project site and its location relative to the coastal barrier resources of Mississippi, no adverse impacts to coastal barriers are anticipated. A map showing the location of the coastal resources protected by the CBRA is provided in the ERR. |
| Airport Runway Clear Zone or Clear Zone Disclosure [§58.6(d)] | 1 | The project site is not located within 2,500 feet of the end of a civil airport runway or 8,000 feet of the end of a military airfield runway. The Gulfport/Biloxi International Airport is located approximately 3.5 miles northeast of the Port. Keesler AFB Biloxi is located approximately 10.5 miles east of the site. A copy of a flight plan map which shows the location of the civil airport runways at Gulfport/Biloxi International Airport and the military airfield runways at Keesler AFB is provided in the ERR. |
| Other Factors | 1 | An indirect impact of the proposed project is the relocation of the DuPont facility from the West Pier to another location. DuPont may relocate to the East Pier or they may chose to ship ilmenite ore through another port. Relocation to the East Pier would be expected to cause minor environmental impacts as would relocation to another port. A new facility would be expected to incorporate BMPs for dust control. |

Summary of Findings and Conclusions

ALTERNATIVES TO THE PROPOSED ACTION

Alternatives and Project Modifications Considered [24 CFR 58.40(e), Ref. 40 CFR 1508.9] (Identify other reasonable courses of action that were considered and not selected, such as other sites, design modifications, or other uses of the subject site. Describe the benefits and adverse impacts to the human environment of each alternative and the reasons for rejecting it.)

The entire Port is located within the 100-year floodplain and there are no reasonable or practicable alternatives that will eliminate the need to locate the proposed project within the 100-year floodplain at the Port. The proposed project is a functionally dependent land use since the new terminals and infrastructure must be located adjacent to the Gulfport Harbor Federal Navigation Channel to meet the project purpose. Because there are no practicable alternatives to locating in the 100-year floodplain, the proposed project will be designed to minimize direct and indirect impacts to lives and property by elevating container storage areas and structures above the 100-year floodplain, to the extent practicable.

Conditions have changed since the original permit was issued. The Copa Casino, located in the northern end of the inner harbor, was destroyed by Hurricane Katrina and was not rebuilt. The permit condition requiring MSPA to fill the inner harbor is impractical based on current MSPA port development plans. Placing additional fill in the North Harbor area would not create usable space for a modern container port. Due to the damages as a result of Hurricane Katrina, the West Pier terminal area will be filled to +25 feet to make the port facilities resistant to storm surge. There are no plans to raise the North Harbor or East Pier since these areas are not part of the future container terminal due to limitations on transportation and site configuration.

The MSPA considered alternative off-site locations for container storage but determined that off-site container storage is not efficient and is too costly.

The MSPA has a procedure for securing the Port in advance of hurricanes. The MSPA has also developed a comprehensive evacuation plan that requires tenants to move containers from the Port well in advance of tropical storm events. The proposed action will elevate the container storage yards above the 100-year floodplain. To further reduce the risk of container movement during severe tropical storm events, a lashing system will be put in place to secure materials on the Port.

Hurricane Katrina destroyed or severely damaged the facilities and infrastructure at the Port. The West Pier terminal area will be filled to +25 feet to make the port facilities resistant to storm surge. The increased elevation will protect facilities, equipment and cargo against storm surge and minimize disruptions to the Port tenants by eliminating the need to fully evacuate the terminal when a storm is approaching. The increased elevation will also help to mitigate off-site damage from containers and other debris during future hurricanes. The fill to +25 feet will be placed on top of the existing West Pier and the fill areas authorized by Permit MS96-02828-U.

Other alternatives considered included constructing new terminal facilities at the existing +10 feet elevation of the West Pier and various terminal configurations for the tenants at elevation +25 feet. Construction of new tenant terminal facilities at +10 feet would leave them vulnerable to future hurricanes. Various terminal configurations at +25 feet were considered and the less efficient layouts were eliminated. The proposed terminal configuration will be refined during final design to make the operation as efficient as possible.

The MSPA considered alternative alignments for the transportation and infrastructure corridor between U.S. 90 and the West Pier. MSPA's preferred alignment runs along the western edge of the North Harbor area which will maximize utilization of the North Harbor property for other

uses. Alignments through the central portion of the North Harbor property and an alignment running along the east and south edge of the property were also considered. The alternative alignments would have essentially the same environmental impact as the preferred alignment but would negatively impact utilization of the North Harbor property. Depending on the alignment selected, additional permitting would be required if the alignment impacts the open water adjacent to the North Harbor. The corridor alignment will be selected during final design of the proposed project and in consultation with the MDOT.

The MSPA also considered alternative sources for fill material. Fill material for the proposed project will come from approved commercial borrow pits or other approved sources. Only clean fill material will be used as fill. The fill material will be transported to the site either by truck or barge, depending on the approved source of fill material proposed by the successful bidder for the project.

Mississippi Sound water bottom material on the 60-acre fill site (under construction) that is structurally unsuitable for fill material has been excavated and hauled by truck to an approved upland disposal area. Effective July 1, 2010, Mississippi (Miss. Code 49-27-61) requires beneficial use of dredged material over 2,500 cubic yards (CY) or payment of \$0.25/CY to the State. The MSPA has initiated discussions with the MDMR to determine potential beneficial use sites and permitting requirements. The MSPA is also evaluating cost, timing and scheduling issues. The beneficial use of dredged material option will be implemented if a suitable site is located, permitting issues can be resolved, and if the option makes sense based on cost, timing and scheduling.

No Action Alternative [24 CFR 58.40(e)]

(Discuss the benefits and adverse impacts to the human environment of not implementing the preferred alternative).

Under the No Action Alternative, the 24-Acre Fill, New Tenant Terminals and Infrastructure Project would not be constructed and the existing tenants would continue to operate in reconstructed, repaired or temporary facilities at elevation +10 feet. Containers would be stored at the existing locations and/or on a new container storage yard located on the 60-acre fill site currently under construction. The existing facilities and containers would remain vulnerable to hurricanes. Containers that are stored at elevation +10 feet would have to be relocated off the Port to higher ground approximately three days in advance of an approaching tropical storm. This time consuming and costly process would continue under the No Action Alternative.

Not implementing the Preferred Alternative would avoid the environmental impacts associated with construction, the energy consumed during construction, and construction costs. Long-term, these impacts would likely be offset by future damage from tropical storm surges and costs associated with the relocation of containers in advance of the storms. Not implementing the Preferred Alternative would have a major impact on the Port's ability to retain existing tenants and attract future business.

Mitigation Measures Recommended [24 CFR 58.40(d), 40 CFR 1508.20]

(Recommend feasible ways in which the proposal or its external factors should be modified in order to minimize adverse environmental impacts and restore or enhance environmental quality.)

The MSPA has implemented a comprehensive Mitigation Plan to compensate for the unavoidable loss of open water habitat being filled as authorized by Permit MS96-02828-U, including the 24 acres authorized by Phase III. The major items of the Mitigation Plan have been accomplished. The remaining items are either ongoing requirements or were affected by Hurricane Katrina as noted in the following paragraphs.

Phases I and II of the 84-Acre Fill Project were underway when Hurricane Katrina hit the Coast. Work on Phases I and II resumed in 2009 and is currently scheduled to be completed in January 2011. The water quality monitoring requirement has also resumed.

On-site mitigation required water quality enhancement including installing a sewer pump-out facility at the commercial fishing docks. The Commercial Small Craft Harbor was destroyed by Hurricane Katrina and is not being used as a Commercial Harbor; therefore, this mitigation measure has not been implemented. The aerators identified in the Mitigation Plan have been installed in the Commercial Small Craft Harbor. The Mitigation Plan also included a requirement to create openings in the West Wall to help improve water quality. Hurricane Katrina helped this requirement by removing several wall panels, which has helped improve tidal flushing.

Off-site mitigation required wetland restoration in two locations: the Graveline Bayou Restoration Project and the Discovery Bay Canal Restoration Project. The Graveline Bayou Restoration Project is a long-term mitigation project and MSPA will continue to implement the action items necessary to successfully complete that project. Marsh planting as required will continue to be a high priority item and MSPA is fully committed to that effort.

Ownership issues and changes in the site conditions at Discovery Bay have changed the strategy for providing restoration mitigation benefits for that area. The MSPA has worked with the MDMR to develop a revised mitigation project to replace the Discovery Bay mitigation project with an equivalent level of mitigation. The revised mitigation project is located in the Wolf River Coastal Preserve in West Harrison County. The new mitigation project would restore hydrology, improve wet season access and facilitate better ecological management. The goals are to reduce erosion and sedimentation, lower runoff velocities, improve infiltration and to provide a stable narrow 8-foot wide permanent road bed to allow maximum canopy closure and resistance to invasive weed propagation. The revised mitigation project will replace existing culverts with articulated concrete mats or similar technology. MDMR and MSPA have agreed that MSPA will provide funds to MDMR for implementation of this mitigation project.

Appropriate mitigation measures have been incorporated into the proposed project including use of stormwater BMPs during construction and operation of the proposed project, completing a structural stability analysis in accordance with Part 65 of the NFIP and submitting it to FEMA and revising the FIRM prior to constructing facilities on the fill.

Additional Studies Performed

No additional studies were performed during the preparation of this EA.

List of Sources, Agencies and Persons Consulted [40 CFR 1508.9(b)]

Mississippi Band of Choctaw Indians-Tribal Historic Preservation Officer

Mississippi Department of Archives and History

Mississippi Department of Environmental Quality-Air Quality Branch

Mississippi Department of Environmental Quality-Hazardous Waste Branch

Mississippi Department of Environmental Quality-Water Quality Branch

Mississippi Department of Marine Resources

Mississippi Department of Transportation

Mississippi Department of Wildlife, Fisheries, and Parks

Mississippi Development Authority/CDBG Disaster Recovery Program

Mississippi Emergency Management Agency

Mississippi State Port Authority

Harrison County Board of Supervisors

Harrison County Utility Authority

City of Gulfport-Planning

City of Gulfport-Floodplain Manager

Federal Emergency Management Agency

U.S. Department of Agriculture-Natural Resources Conservation Service

U.S. Army Corps of Engineers-Mobile District

U.S. Department of Interior-U.S. Fish & Wildlife Service

U.S. Department of Commerce-National Marine Fisheries Service

U.S. Environmental Protection Agency

BMI Environmental Services

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