

Virgin Islands Port Authority Testimony to the 31st Legislature of the Virgin Islands Regarding CZM Permits to Dredge the Schooner Bay Channel and Repair the Ovesen Seaplane Terminal on St. Croix, US Virgin Islands



May 18, 2015

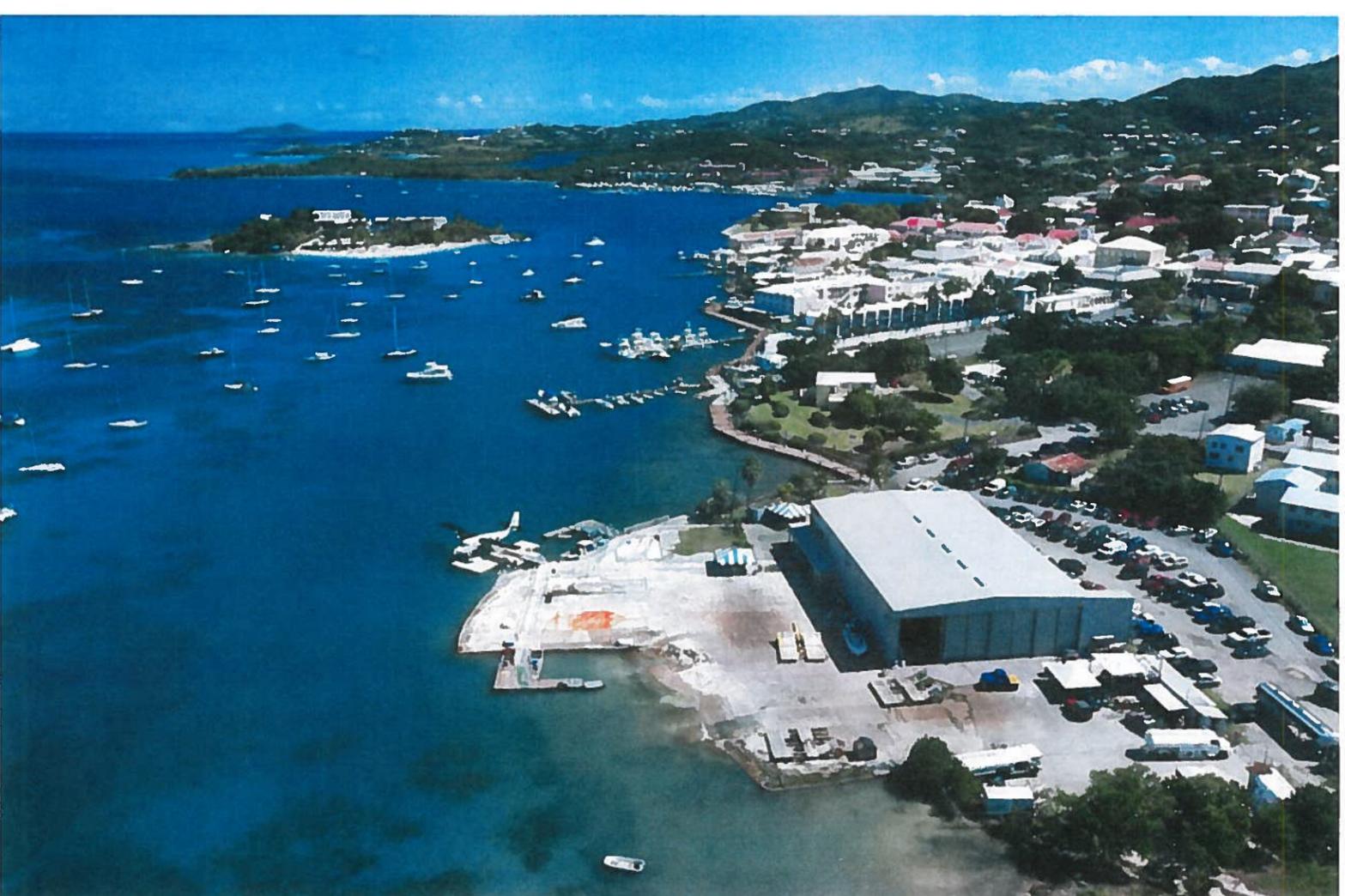
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To the Honorable Senator Neville James
President of the 31st Legislature of the US Virgin Islands

SUBMITTED BY CARLTON DOWE, EXECUTIVE DIRECTOR
OF THE VIRGIN ISLANDS PORT AUTHORITY
MAY 18, 2015

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Good day Honorable Senate President of the 31st Legislature Neville James, all Senators of the 31st Legislature of the US Virgin Islands, and to the listening and viewing audience. I am Damian Cartwright, Senior Engineer for the Virgin Islands Port Authority. I will present this report today on behalf of Mr. Carlton Dowe, the Executive Director of the Virgin Islands Port Authority. Accompanying me is Mr. David Mapp, our Assistant Executive Director.

The VI Port Authority is a semi-autonomous government agency which owns, maintains and is responsible for the future development of the majority of public seaports and both dirports in the United States Virgin Islands. I am here today to offer testimony regarding two permits that are critical to the port infrastructure and future tourism product development on St. Croix:

1. **CZM Permit No. CZT-2-15 (W) to Dredge the Schooner Bay Channel, Christiansted Harbor, St. Croix** - permitting VIPA to dredge approximately 38,800 cubic yards of material from within the existing Schooner Bay Channel located in the Christiansted Harbor, St. Croix, U.S. Virgin Islands; and

2. **CZM Permit No. CZX-31-14 (L&W) for Shoreline Repairs at the Svend Ovesen Seaplane Terminal in Water Gut, Christiansted, St. Croix** - permitting VIPA to repair the existing concrete apron, construction of a new sheet pile wall, and to remove 20 cubic yards of contaminated soil at and seaward of Plot No. 10 Water Gut Reclaimed Land, Christiansted, St. Croix, U.S. Virgin Islands.

Both permits have been approved by the USVI Coastal Zone Management Commission and the Honorable Governor of the US Virgin Islands, Kenneth E. Mapp. They are now before this body for consideration.

CZM Permit No. CZI-2-15 (W) to Dredge the Schooner Bay Channel, Christiansted Harbor, St. Croix

PERMIT DETAILS

The Virgin Islands Port Authority has applied for a permit to perform maintenance dredging along the north side of St. Croix in the Schooner Bay Channel within the Christiansted Harbor. VIPA's goal is to allow its Gallows Bay Marine Facility to be used by mini cruise ships and other deep-draft luxury vessels.

This channel has not been dredged since 1991. In April 2013, VIPA hired Arc Surveying and Mapping, Inc. to provide a bathymetric survey of the channel, and some areas were found to be above -18 feet. Sand has accumulated in the western portion of the channel, and boulders that tumbled down into the outer portion of the channel were not completely removed during the 1991 dredging. VIPA plans to remove approximately 38,800 cubic yards of material by dredging the ocean floor to a depth of -18 feet. The dredged material will be dried and stored at an old quarry site north of the Henry E. Rohlsen Airport and to the west of the William D. Roebuck Croix Industrial Park. All dredged material will be barged to the Gordon A. Finch Molasses Pier, offloaded onto trucks and hauled to the quarry site.

The area to be dredged consists primarily of sand and rock. We intend to remove the material via mechanical excavation (clamshell or backhoe dredge), which will allow us to load low water content material onto disposal barges. Rock will be removed via mechanical excavation, via a hydraulic powered hammer or pre-drilling depending on the rock's consistency. With the use of mechanical dredging, the dredged material will not have high water content and will further drain while stored on the barge prior to being hauled to the quarry site. During the dredging, turbidity curtains will encircle the area and barge to minimize the spreading of suspended sediment. Water quality monitoring will also be performed.

The Port Authority plans to start dredging after all permits are received, and dredging will be continuous until completed. We anticipate that the dredging of the Schooner Bay Channel will take about three months to complete.

PHOTO OF SVEND OVESEN SEAPLANE TERMINAL, WATER GUT, CHRISTIANSTED, ST. CROIX



Aerial view of Svend Ovesen Seaplane Terminal (2014).

3. Replace and repair the existing concrete apron along the bulkhead walls; and
4. Remove and dispose all contaminated soil outside the property limits

When driving the piles, turbidity curtains will encompass the work area. Water quality monitoring will also be done during the driving of the sheet piles. None of the work will alter existing historical land use. VIPA will begin this project after all permits are received, and it is expected to be completed within six months.

BENEFITS OF THIS PROJECT

The Port Authority is seeking positive action on this permit to allow these critical repairs to the only seaplane facility on St. Croix. The Ovesen Seaplane facility connects thousands of residents and visitors to St. Thomas and other Caribbean islands for business and pleasure activities daily. Stabilization and repairs to the apron at the facility will improve safety conditions and aesthetics at this facility. In addition, the reinforced bulkhead walls will prevent fuel-contaminated soil wash off into one of our most beautiful natural resources - the Caribbean Sea. This project will protect our sea life which is a major attraction for tourists to the island of St. Croix. It will also satisfy federal requirements for water quality.

PROJECT FINANCING

The total cost for the project is estimated at **\$1.5 million**. This project will be funded solely by the VI Port Authority.

On behalf of the VI Port Authority, we ask this body for their support with these planned improvements. We are now available to answer any questions relative to the permit applications and the specifications of each project.

PROJECT FINANCING

The total cost for the project is estimated at **\$1 million**. The 30th Legislature of the Virgin Islands passed Bill No. 30-0338 which included a provision for the Government of the Virgin Islands to allot \$500,000 to fund the Schooner Bay Channel Dredging Project. The monies will be funded from the VI Public Finance Authority via the Community Facilities Trust Account from the DIAGEO USVI, Inc. contribution to the central VI government. On July 11, 2014, former Governor John deJongh signed this bill into law (Act 7625). VIPA will use \$500,000 from bond proceeds acquired in 2014 by the Port Authority to fund the remainder of the project.

BENEFITS OF THIS PROJECT

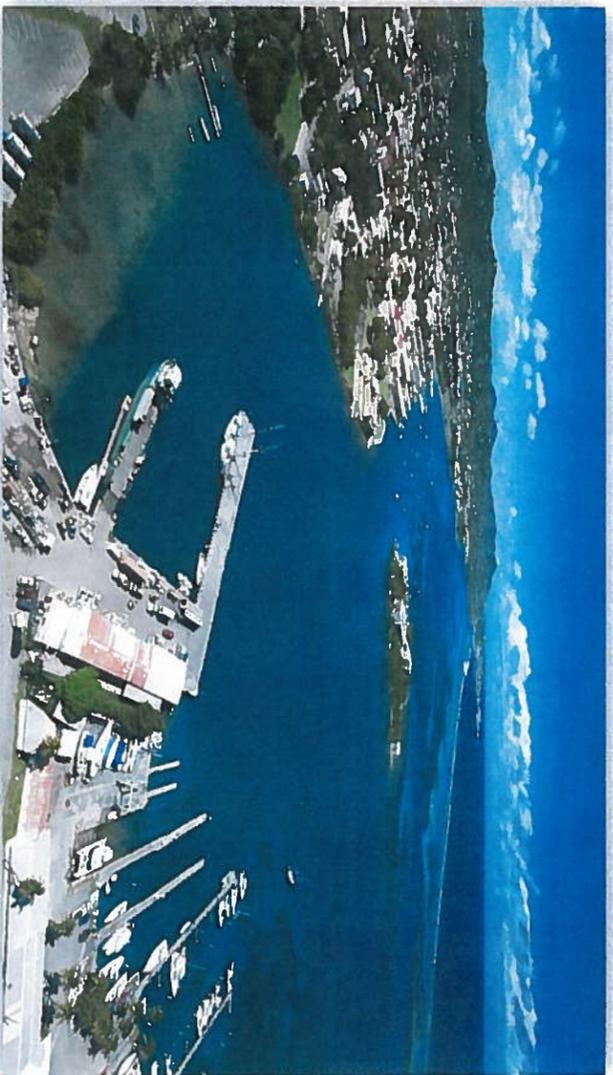
Affirmative action by the Legislature on this permit is vital to re-establishing cruise visits to Christiansted, St. Croix. Dredging Schooner Bay will allow small cruise and luxury vessels to enter and berth safely at the Gallows Bay Port. Increased cruise calls to St. Croix will provide profitable opportunities for the businesses that operate in down town Christiansted and help to rejuvenate the island's economy.

This project is also connected to a separate permit that the Port Authority has applied for to improve the marine industry on St. Croix. VIPA is awaiting approval from the US Army Corps of Engineers to allow us to reinforce the shoreline adjacent to the Gallows Bay Marine Facility's cargo handling apron, and repair badly damaged pavement on the cargo-handling apron. This pending permit for landside improvements also includes enhancements to the terminal and aesthetics of the area. The nearby businesses, the entire community on St. Croix and the VI economy will benefit from every improvement to the Gallows Bay port.

PHOTOS OF SCHOONER BAY CHANNEL & GALLOW'S BAY, ST. CROIX



VIPA has applied for a permit to dredge the areas highlighted in red in the picture above. The areas will be dredged to -18 feet to allow safe entry of mini cruise and luxury vessels into the Christiansted Harbor.



Aerial view of Gallow's Bay Harbor (2014).

CZM Permit No. CZX-31-14 (L&W) for Shoreline Repairs at the Svend Ovesen Seaplane Terminal in Water Gut, Christiansted, St. Croix

PERMIT DETAILS

The Virgin Islands Port Authority has also applied for a permit to make major repairs to the Svend Ovesen Seaplane Facility in Water Gut, Christiansted, St. Croix. VIPA plans to construct a 492-foot sheet pile wall in the ocean along the existing bulkhead, and to replace and repair the existing concrete apron along the bulkhead walls. The objective of this project is to (1) stabilize the bulkhead, and (2) to prevent contaminated soil found in that area from washing into the sea.

The Ovesen Seaplane Terminal is located along the northern shoreline of Christiansted, St. Croix. It sits on flat, filled land and most of the structural improvements to the site were made in the 1960's. The facility is located in a flood zone and consists of a concrete block and stone bulkhead with rubble and sand backfill. The bulkhead was not well built and has begun to fail in some areas. In addition, the ramps located on the western end of the property are collapsing because the sand/soil is being eroded from beneath them by ocean wave action.

Some of the soil at this facility was contaminated by fuel leaks from three old fuel storage containers. The underground storage tanks and the surrounding contaminated soil were removed from the property in 1993. However, an assessment of the contaminants and pollutants at the former underground storage tank site was conducted in August 2011. It was recommended that VIPA construct a wall to surround the soil that was contaminated. The scope of the project was expanded to include the repair or replacement of the deteriorated concrete gravity seawall.

The permit seeks approval to:

1. Construct a below-grade concrete wall on the south and west sides of the facility;
2. Construct a sheet pile wall in the water along the existing bulkhead on the north and east sides to stabilize the apron and prevent further contamination of the sea;