



DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ENGINEERS
WASHINGTON, D.C. 20314-1000

21 MAY 1991

REPLY TO
ATTENTION OF:

CECW-PM (10-1-7a)

SUBJECT: Morehead City Harbor, North Carolina

THE SECRETARY OF THE ARMY

1. I submit for transmission to Congress my report on Morehead City Harbor, North Carolina. It is accompanied by the reports of the Board of Engineers for Rivers and Harbors and the district and division engineers. These reports are in final response to a resolution adopted 8 August 1984 by the Committee on Public Works and Transportation of the United States House of Representatives. The Committee requested the Board of Engineers for Rivers and Harbors to review the report of the Chief of Engineers on Morehead City Harbor, North Carolina, published as House Document 170, 92nd Congress, and other pertinent reports, with a view to determining whether any modifications of the recommendations contained therein are advisable at the present time, with a particular view toward deepening and enlarging the existing navigation project. Preconstruction engineering and design activities for the Morehead City Harbor project are being continued under authority provided by the 8 August 1984 resolution.

2. The district and division engineers considered various plans to solve the navigation problems at Morehead City Harbor. The reporting officers recommend deepening the entrance channel from 42 feet to 47 feet (including a 2-foot allowance for wave action), deepening the main harbor channel from 40 feet to 45 feet, enlarging the existing turning basin to a diameter of 1,350 feet, widening a 3,400-foot-long portion of the entrance channel from 400 feet to 650 feet, and assuming Federal maintenance of the northwest leg and east leg extensions of the main harbor channel.

3. The report has been reviewed by the Washington Level Review Center (WLRC). The review indicates that the proposed project complies with applicable U.S. Army Corps of Engineers planning procedures and regulations. However, WLRC determined that benefits attributed to future shipment of coal were inadequately supported and should be deleted from the analysis. Even without coal benefits, WLRC finds that the recommended harbor

CECW-PE

SUBJECT: Morehead City Harbors, North Carolina

modification is economically justified and environmentally and socially acceptable and that it is the national economic development plan.

4. The Board of Engineers for Rivers and Harbors concurs in the views and recommendation of the reporting officers and the review conclusions of WLRC. At October 1990 price levels, the first cost of the improvement is estimated at \$9,620,000, of which \$6,096,000 would be Federal. Based on a 50-year period of analysis, an interest rate of 8-3/4 percent, and excluding coal benefits, the estimated annual benefits and costs would be \$3,069,000 and \$1,839,000, respectively, yielding a benefit-cost ratio of 1.7.

5. I concur in the findings and recommendation of the Board.

6. The recommendation contained herein reflects the information available at this time and current departmental policies governing formulation of individual projects. It does not reflect program and budgeting priorities inherent in the formulation of a national civil works construction program nor the perspective of higher review levels within the executive branch. Consequently, the recommendation may be modified before it is transmitted to the Congress as a proposal for authorization and implementation funding. However, prior to transmittal to the Congress, the State of North Carolina, interested Federal agencies, and other parties will be advised of any modifications and will be afforded an opportunity to comment further.



H. J. HATCH
Lieutenant General USA
Chief of Engineers