United States Senate
WASHINGTON, DC 20510

March 27, 2015

The Honorable Lamar Alexander
Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Dianne Feinstein
Ranking Member
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Alexander and Ranking Member Feinstein,

As the Committee proceeds with the difficult task of determining how to allocate available funds within the accounts of the Energy and Water Development and Related Agencies Appropriations Bill for Fiscal Year 2016, we write to urge you to give special priority to the Construction account of the U.S. Army Corps of Engineers (USACE) civil works program.

Few issues have attracted more words of bipartisan and bicameral support in Congress than initiatives to modernize our national infrastructure, and central to those efforts has been the imperative to modernize our ports and deep water navigation channels. That infrastructure is the lifeline of the export and import trade that is key to our international competitiveness and job growth, and which generates more than $200 billion in annual federal, state and local tax revenue. However, the Construction account of the USACE has been underfunded for many years in succession. Although the Committee has worked to move additional funds into this account in recent years, the cumulative impact of neglect of water resources infrastructure has reached a critical level.

There is no better illustration of this problem than the Savannah Harbor Expansion Project (SHEP), which is included in the President's budget for construction in Fiscal Year 2016 for $21.05 million. The SHEP engineering and design plan, which has been rigorously vetted by the Executive Branch and the Congress, requires $80-$100 million per year to stay on schedule for a 2019 completion. Failure to maintain this schedule will have significant negative implications. As an example, if funds are not appropriated at the aforementioned level and the project is delayed by five years, it would be estimated to drive construction pricing up by as much as $100 million. A five year delay also would cause the loss of $174 million in net annual economic benefits for each year of the delay. In total, underfunding of this magnitude would mean a staggering and unrecoverable loss totaling nearly $1 billion.

This potential impact would come despite the fact that from an environmental, engineering and cost analysis standpoint, SHEP is universally considered to be the nation's most carefully and exhaustively studied deep draft project. There also is no question that SHEP is a project of extraordinary national importance— Savannah has been the fastest growing port in the nation since 2009, is the busiest container port in the South Atlantic and the second-busiest on the entire

East Coast. SHEP has one of the highest benefit-cost ratios of any major water resources project underway anywhere in the country, and the State of Georgia has already fully funded its $266 million local share of total project cost. We believe that the fact that a project like SHEP is so challenged by underfunding is powerful evidence that the overall FY 2016 Construction account should receive priority in crafting a bill that adheres to your allocation while advancing projects on the basis of their ability to support national benefits.

We thank you and the Committee for your strong support and consideration of this request for prioritization of the infrastructure projects that are so important to the nation's economic growth.

Sincerely,

Johnny Isakson
United States Senator

David Perdue
United States Senator