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Norman Ross Files, 1974-75
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ROUTING AND TRANSMITTAL SLIP		ACTION	
1 TO <i>Mr. Norman Ross, Jr Staff Assistant</i>	INITIALS	CIRCULATE	
	DATE	COORDINATION	
2 <i>Domestic Council staff</i>	INITIALS	FILE	
	DATE	INFORMATION	
3	INITIALS	NOTE AND RETURN	
	DATE	PER CON - VERSATION	
4	INITIALS	SEE ME	
	DATE	SIGNATURE	

REMARKS



Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions

FROM <i>Keith Adams, Corporal/Engineer</i>	DATE <i>1/22</i>
	PHONE <i>693-1590</i>

STUDY REPORT-EIS - CROSS FLORIDA BARGE CANAL

MONTHLY STATUS REPORT

15 January 1975

This is the first monthly report intended to keep the ICG members apprised of the progress of the restudy report and EIS.

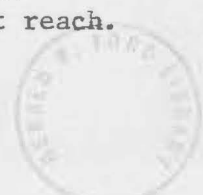
ENGINEERING:

Field surveys are substantially completed and are in the process of being plotted. Subsurface investigations for the Eureka pool alignments, two structure sites and borrow areas completed, and samples are in the process of being analyzed. Two geological sections along the Eureka alternate alignments are also completed. Field work in connection with the pumping tests in the summit reach is on schedule. Work is underway on a disposal site plan for St. Johns River reach. A field trip is planned the week of 3 February to review and select disposal sites for the various alternative plans. Hydraulic designs have been completed for the Eureka Pool alternative alignments. Preliminary hydraulic design data has been prepared for pumping stations at Silver Springs, Dunnellon, and Eureka.

Evaluation of available data and writeups for Track I restudy report are proceeding on schedule. Topical outlines for Engineering, Environmental, Economics, and restudy reports are completed.

Work on contracts is summarized as follows:

- a. Phase I Contract Report; Battelle Columbus Laboratories, Inc. All ICG members were called on 5 December 1974 to submit comments on Volume III. It is planned to close out the Battelle contract by 18 January 1975.
- b. Transportation Economics; A. T. Kearney, Inc. A contract was awarded on 4 September 1974. Work is on schedule. Preliminary results are expected in time to be included in the Track I effort, scheduled to be completed prior to 1 May 1975.
- c. Aquatic Vegetation; Joyce Environmental Consultants, Inc. A contract was awarded on 3 December 1974. Initial field work in shallow areas was initiated on 2 January and completed on 11 January.
- d. Water Quality; U. S. Geological Survey, D.O.I. A letter of agreement was received on 5 December 1974. In addition to the water quality aspects of the study, the U.S.G.S. is providing technical advice and assistance on field pump tests underway in the summit reach.



e. Terrestrial Vegetation; U. S. Forest Service, D.O.A. A revised Memorandum of Understanding was mailed to the Forest Service on 17 December 1974.

f. Plankton and Benthos; Environmental Research and Technology, Inc. A contract was awarded on 19 December 1974. Initial field work is underway.

g. Recreation Study; Bureau of Outdoor Recreation, D.O.I. A Memorandum of Understanding was entered into on 27 December 1974.

n. Fisheries Study; Florida Game and Fresh Water Fish Commission, State of Florida. Letters of intent to enter into a contract received on 31 December 1974. Revised contract mailed to FG&FWFC on 6 January 1975.

i. Wildlife Study; Florida Game and Fresh Water Fish Commission, State of Florida. Letter of intent received on 31 December 1974. Proposed contract mailed to FG&FWFC on 6 January 1975.

The detailed scope of work for the above contracts and intergovernmental agreements for each study will be included in the revised Plan of Study which is being updated. The updated plan of Study should be ready for coordination with the ICG in January.

The next planned ICG meeting is for 3 February 1975. A workshop session is planned to receive ICG inputs to the preparation of scopes of work for the Phase II contract.

WILBERT S. EISENBERG
Project Manager
CFBC - Special Project Office
U. S. Army Corps of Engineers
Jacksonville District, Florida

Cross Florida Barge Canal

Visit to Rodman Reservoir

13-14 Feb 1975

Mr. Norman E. Ross, Jr.



CROSS FLORIDA BARGE CANAL

VISIT TO RODMAN RESERVOIR

13-14 February 1975

LIST OF PARTICIPANTS

Mr. Charles R. Ford	SACF
Mr. Donald B. Duncan	SACF
Mr. Norman E. Ross, Jr.	White House
Mr. Robert Smythe	CEQ
Mr. Warren T. Olds, Jr.	DOI
Mr. Sheldon Meyers	EPA
Mr. Raymond M. Housley	Agriculture
BG Carroll N. LeTellier	SAD
Mr. George ^{GENE} Brown	SAD
Mr. John W. Rushing	SAD
BG Kenneth E. McIntyre	OCE
Col. V. L. Rathburn	OCE



FEDERAL AGENCY VISIT TO RODMAN RESERVOIR

13-14 February 1975

ITINERARY

<u>Date, Time</u>	<u>Activity</u>	<u>Remarks</u>
<u>Thurs, 13 Feb</u>		
1200	Depart Page Terminal	OCE Plane
	Pick-up SAD Personnel in Atlanta	
1430	Arrive Mayport Naval Station	
1430-1450	Travel to Turtle Inn Motel	Check in
1530-1700	Briefing on CFBC activities	Col Lee and staff
1700	Complete Day's Activities	
<u>Fri, 14 Feb</u>		
0800	Depart Turtle Inn	
0800-0830	Travel to Craig Airport	via G/A
0845	Depart Craig for Overflight Inspection of Rodman	via ANG Helicopter
1015	Land at Eureka	
1015-1200	Airboat Tour of Rodman from Eureka Lock to Buckman Lock	
1200-1315	Lunch at Rodman	Barbecue to be arranged by Resident Office
1315-1345	Travel to Palatka	via G/A
1350	Return to Washington, D.C. via Atlanta	OCE Plane
1730	Arrive Washington, D.C.	



7 February 1975

FACT SHEET
CROSS FLORIDA BARGE CANAL
RESTUDY REPORT & EIS

1. The restudy report as now envisioned will contain four major sections, i.e. Engineering, Economics, Environmental, and an overall Restudy Report. Studies are now well advanced in analyzing the numerous alternative plans that were described in the 9 July 1974 plan of study. It is anticipated that all engineering studies and cost estimates will be completed in an engineering report prior to the 1 May 1975 deadline for reporting to the court. The cost estimates are based in part on newly gathered field information and subsurface investigations such as borings and well pump tests. The second report will be on the economics of the project. On 4 September 1974 the Corps of Engineers awarded a contract to A. T. Kearney, Inc., Management Consultants, to perform a complete and detailed transportation economics study. Inhouse studies are being made to update flood control, land enhancement, and recreation benefits. As now planned a completely updated economics report will be ready prior to 1 May 1975. A third report covering the environmental aspects of the entire project is being prepared largely on the basis of available information. However, this report will include some new field data, such as on aquatic vegetation. The environmental report and an overall study report are both planned for completion prior to 1 May 1975. The restudy report will present an evaluation of the overall engineering, economics, and environmental effects of the numerous alternative plans that are being studied. It is expected that the restudy report will provide sufficient information on which basic decisions can be made on the viability of the project.

2. The Corps of Engineers continues to feel that a complete and legally sufficient environmental impact statement will require considerably more detailed environmental field information than is currently available. Accordingly, we have awarded contracts to numerous Federal and State agencies as well as private consultants to initiate field data gathering and analysis. The data collection period is generally planned to extend from January through December 1975. Results of those studies will be included in the final restudy report. The final EIS is scheduled for submission to CEQ by 30 September 1976.

3. Public meetings were held in Jacksonville and Ocala, Florida on 17 and 18 December 1974. Workshops were held on the days following the public meetings. All sessions were well attended. Conservation groups participated in field evaluation of disposal sites during the week of 3 February 1975. It is planned to have further public involvement as the study progresses.



FACT SHEETINTERIM WATER MANAGEMENT PLAN FOR LAKE OCKLAWAHA

1. On 2 January 1975, the Jacksonville District commenced lowering Lake Ocklawaha from the lake elevation of 18.0 ft. to 15.0 ft., m.s.l. The lowering was accomplished by increasing gate openings at Rodman Spillway to effect a controlled rate of fall of about 0.45 foot per day, until elevation 15.0 ft. was reached on 10 January. The elevation of the lake will be allowed to rise to its 18.0 ft. level beginning 1 March 1975. Refilling should take about 2 weeks depending on the rate of inflow and fish spawning activities in the lake.
2. Preparation of a management plan for Lake Ocklawaha began in April 1974. Subsequent discussions within the Corps of Engineers involved the desirability of seasonal drawdowns and surcharges, and the relative weight that should be given to the benefits and detriments to fisheries, weed control, recreation, and tree survival from planned fluctuations.
3. Originally a regulation schedule for the lake was proposed which had a greater range than that which eventually evolved. The final plan is primarily a drawdown from the currently operated level of 18 feet down to elevation 15, the minimum desired for the lake. An 18 ft. to 15 ft. regulation will simulate the range of fluctuations possible should the Barge Canal become operational, and will not foreclose any future options. Accordingly, the data collected during this fluctuation will be useful for extrapolating conditions associated with the alternatives being considered for the project.
4. The regulation of the pool was the subject of numerous meetings at the Washington level until a consensus decision was reached near the end of December. A principal purpose of the drawdown is to attempt to control submerged aquatic plants such as hydrilla by drying out their natural habitat and hopefully exposing them to one or more freezes. Accordingly, it was decided to effect the drawdown as quickly as possible at the height of the winter season.
5. The drawdown is limited to elevation 15 ft. in the interests of fisheries and because small boat traffic is essentially curtailed at lower lake levels. During the drawdown, channel marking and clearing and snagging operations will be undertaken to assist navigation at the 15 ft. stage.





DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT, CORPS OF ENGINEERS
P. O. BOX 4970
JACKSONVILLE, FLORIDA 32201

SAJGW-A

20 November 1974

ANNOUNCEMENT OF PUBLIC MEETINGS

ON THE CROSS-FLORIDA BARGE CANAL

MEETINGS TO BE HELD AT 7:30 P.M. E.S.T.

ON 17 DECEMBER 1974 AT THE CIVIC AUDITORIUM LITTLE THEATER,

300 WEST WATER STREET, JACKSONVILLE, FLORIDA

AND

ON 18 DECEMBER 1974 AT THE CITY AUDITORIUM,

836 N.E. SANCHEZ AVENUE, OCALA, FLORIDA

The Corps of Engineers working with an Interagency Coordinating Group is now involved in an environmental, engineering, and economic study of the Cross-Florida Barge Canal. This study was initiated as a result of Judge Harvey Johnson's ruling on 31 January 1974 which stated in part--"The Director of the Office of Management and Budget is hereby directed to release and make available the \$150,000 funds appropriated by Congress for use by the Corps of Engineers to prepare or have prepared for it a detailed and complete environmental impact study of the project with the inclusion therein of all environmental and other factors requisite to a determination of appropriate action to be taken in the management of completed portions of the project."

The Interagency Coordinating Group, which includes representatives of a number of Federal and State agencies, has developed the details of the proposed plan of study. The purpose of these public meetings will be to advise the public of the full details of our planned studies, the issues that have been raised on the project and how the proposed investigations will gather additional information to address those issues, and to solicit public views on the adequacy and scope of our proposed study plans. It is planned to present information on the legislative history of the project, the status of the project at the time construction was stopped, the current legal status of the project, and the types of reports that will be prepared to complete the study effort.

*attendance
leaving paper
and construction*



SAJGW-A

20 November 1974

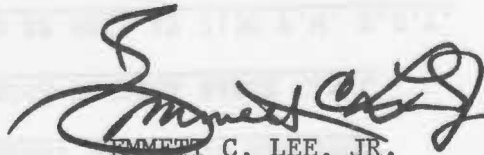
Workshop-type meetings will be held between 9:00 A.M. and noon on the morning following each public meeting. The location of the workshop sessions will be announced at the public meetings and will be held at a location as close as possible to the public meeting place. The purpose of the workshops is to afford local interests additional opportunity to ask questions and review study plans in further detail if desired.

All interested parties are invited and urged to be present or represented at this meeting, including representatives of Federal and non-Federal public agencies; agricultural, commercial, industrial, business, transportation, and utilities interests; civic, ecological and environmental, boating, recreation, and fish and wildlife organizations; and interested or concerned citizens, property owners, and other interests. All parties will be afforded full opportunity to express their views and furnish specific data on matters pertinent to the study, including technical, economic, and ecological and environmental material. Statements should be supported by factual information insofar as practicable.

Oral statements will be heard but, for accuracy of record, all important facts and statements should be submitted in writing, in duplicate. Written statements may be handed to the presiding officer at the meeting or may be mailed beforehand to the undersigned at the Corps of Engineers' address in the letterhead. Statements so mailed should indicate that they are in response to this announcement. All statements, both oral and written, will become part of the official written record on this study and will be made available for public examination.

Please bring this announcement to the attention of anyone you know who is interested in this matter.

1 Attachment
Map



EMMETT C. LEE, JR.
Colonel, Corps of Engineers
District Engineer

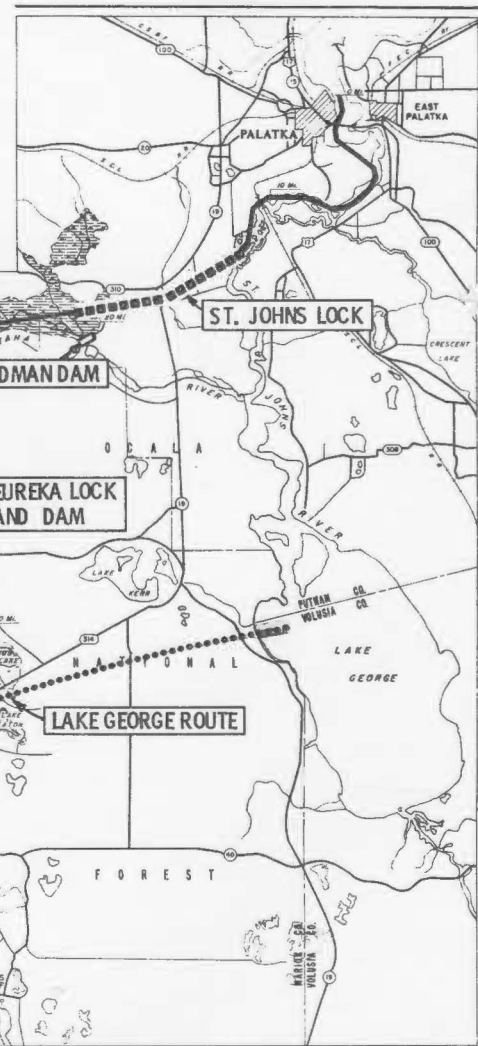
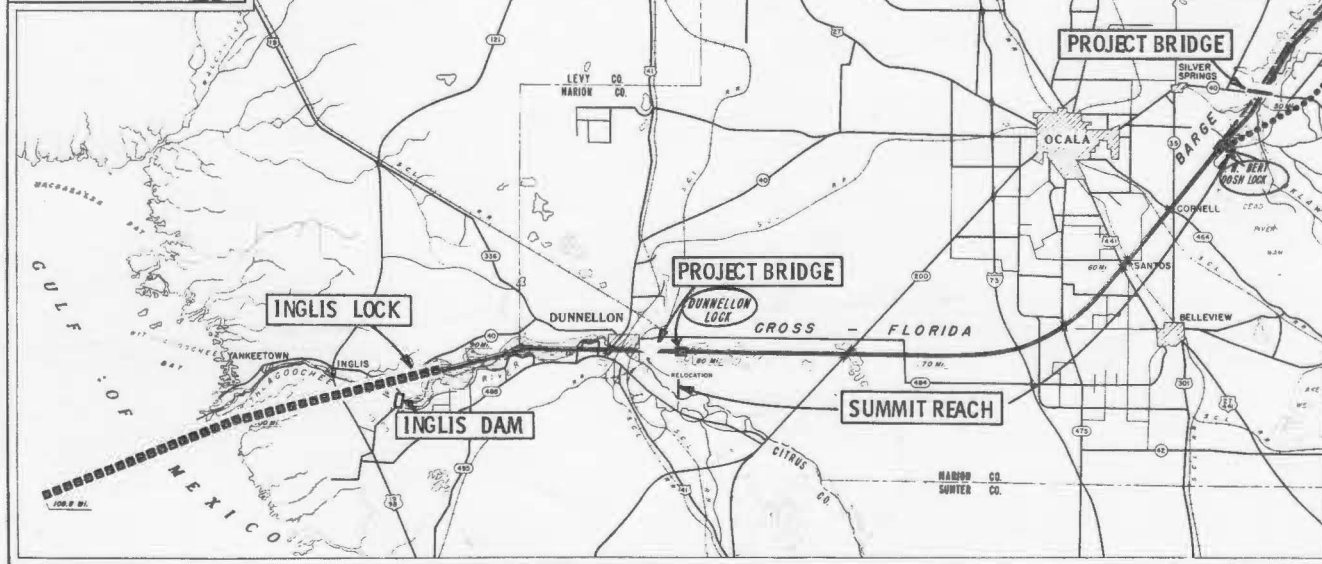


NOTE: BOXES NAMING LOCKS, DAMS, AND BRIDGES IDENTIFY COMPLETED STRUCTURES

LEGEND

COMPLETED OR UNDER CONSTRUCTION
REMAINDER OF PROJECT

CANAL
LOCK
DAM
EXISTING BRIDGE
LAKE CLEARING



CROSS-FLORIDA BARGE CANAL PROJECT

DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT, CORPS OF ENGINEERS
JACKSONVILLE, FLORIDA

SCALE IN MILES
0 1 2 3 4 5 6 7 8 9 10

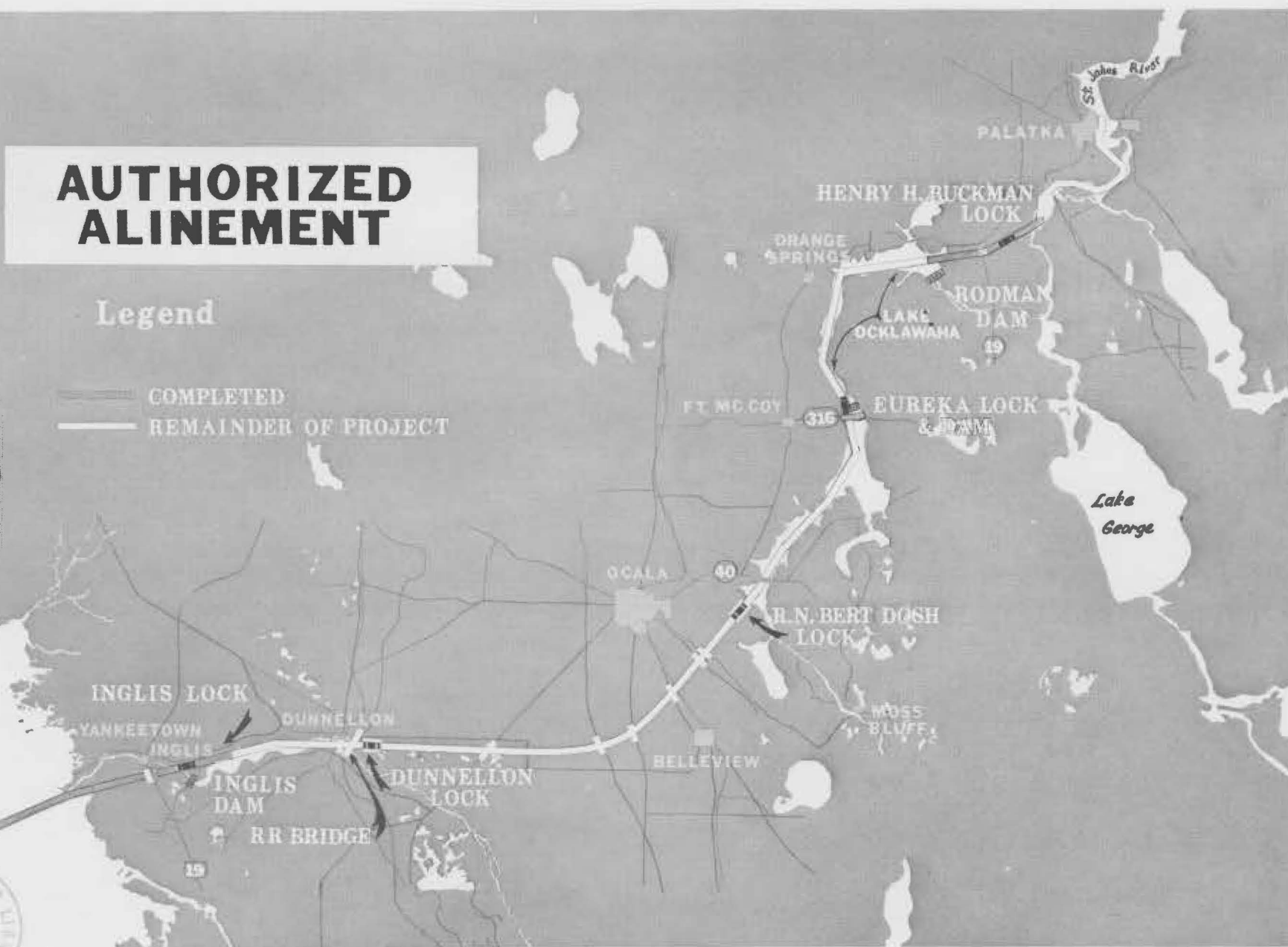
AUTHORIZED ALINEMENT

Legend

- COMPLETED
- REMAINDER OF PROJECT



Gulf
of
Mexico



1

AUTHORIZED ALINEMENT

Legend

- COMPLETED
- REMAINDER OF PROJECT



Gulf
of
Mexico



INGLIS LOCK

YANKEETOWN
INGLIS

INGLIS
DAM

RR BRIDGE

DUNNELLON

DUNNELLON
LOCK

OCALA

BELLEVIEW

FT. MC COY

ORANGE
SPRINGS

HENRY H. BUCKMAN
LOCK

RODMAN
DAM
LAKE
OCHLAWAHA

EUREKA LOCK
& DAM

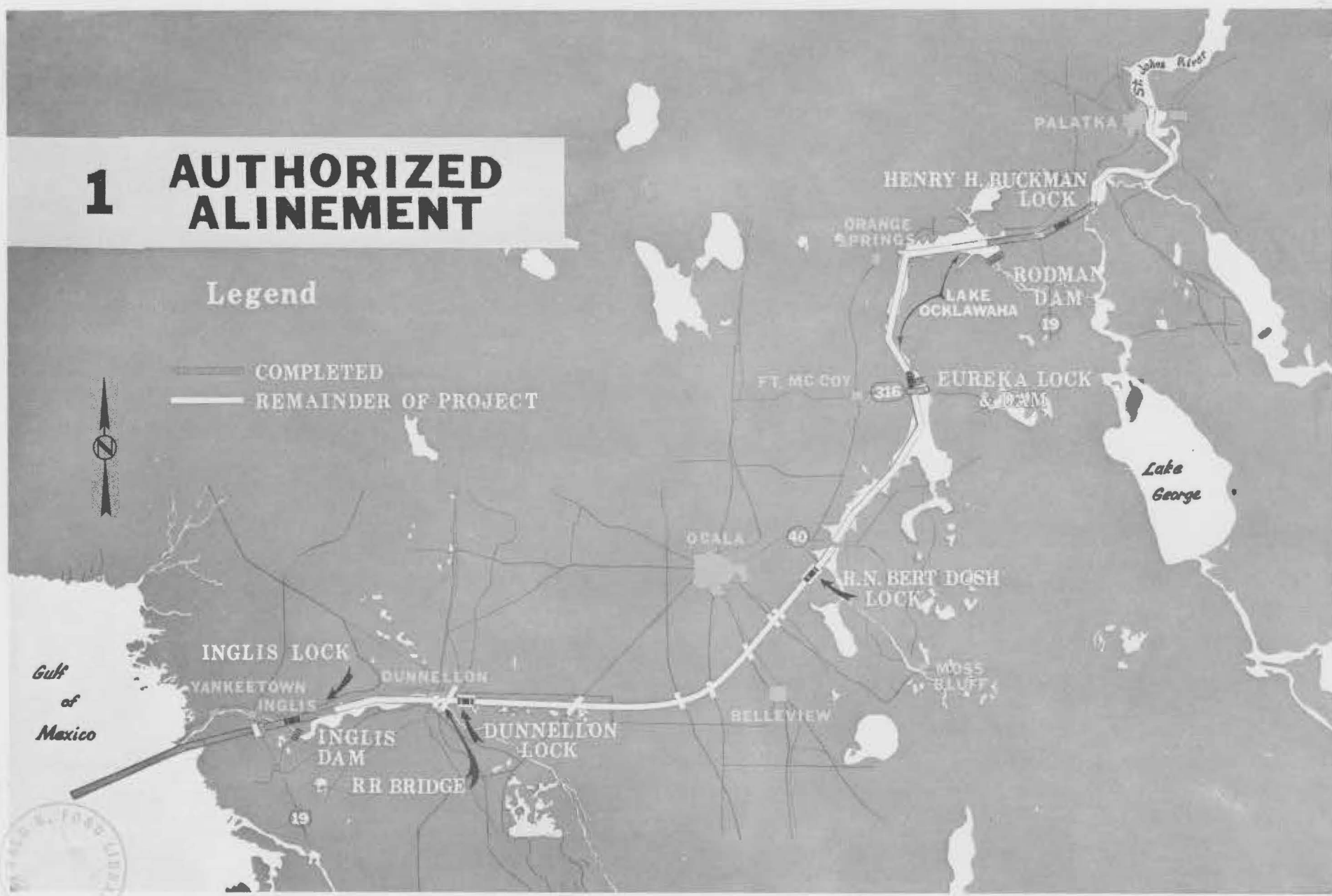
H.N. BERT DQSH
LOCK

MOSS
BLUFF

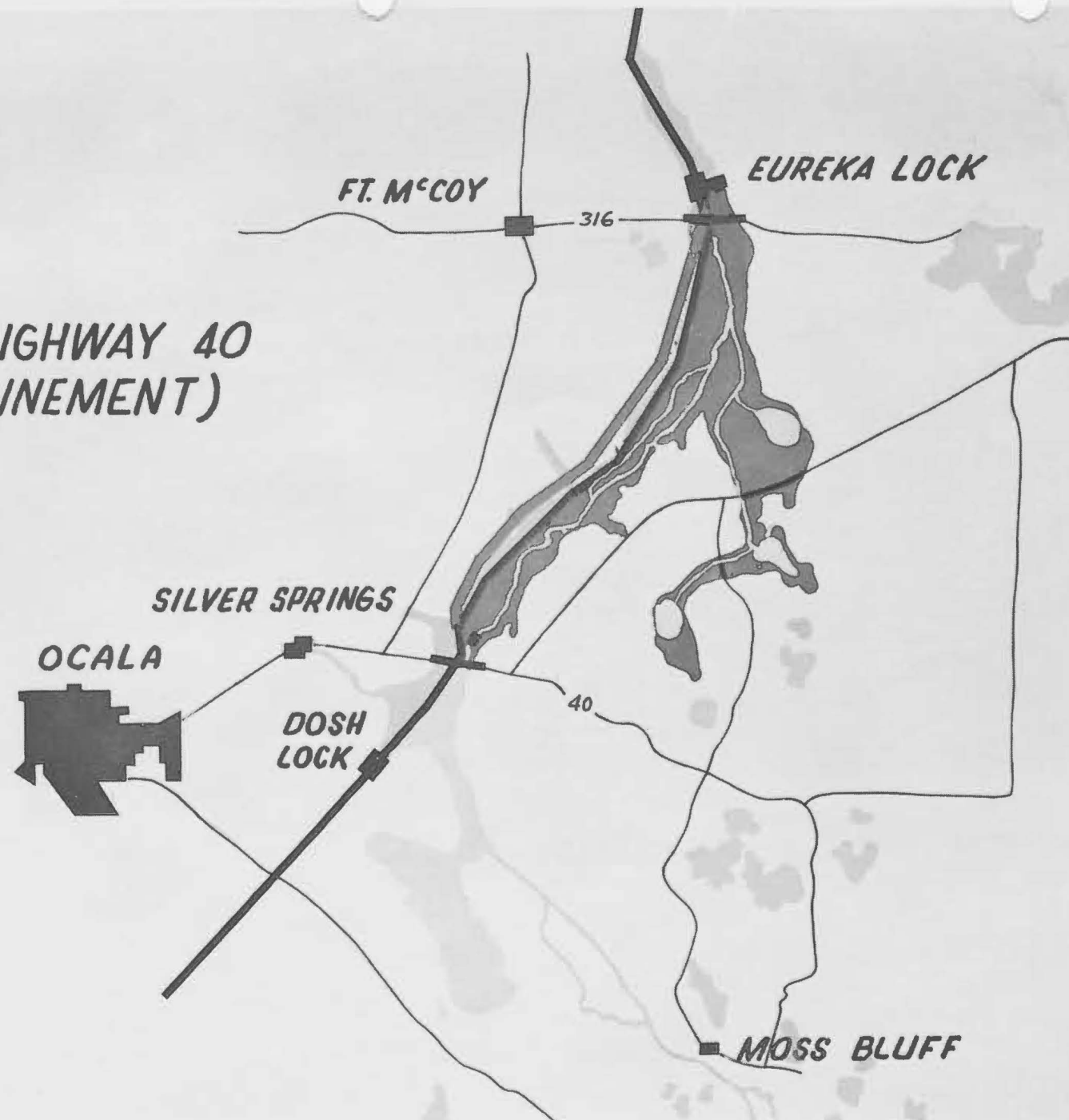
PALATKA

Lake
George

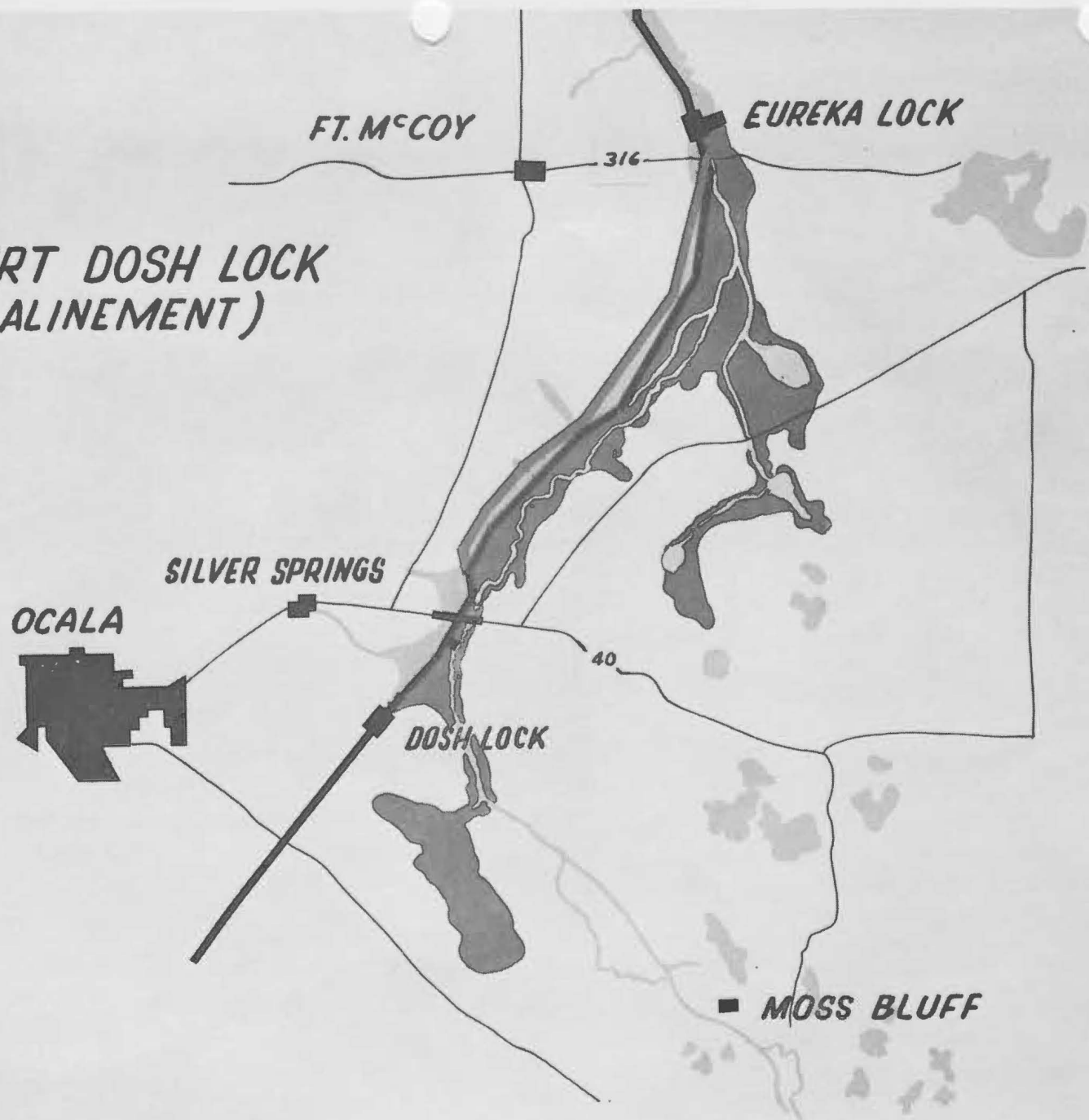
John River



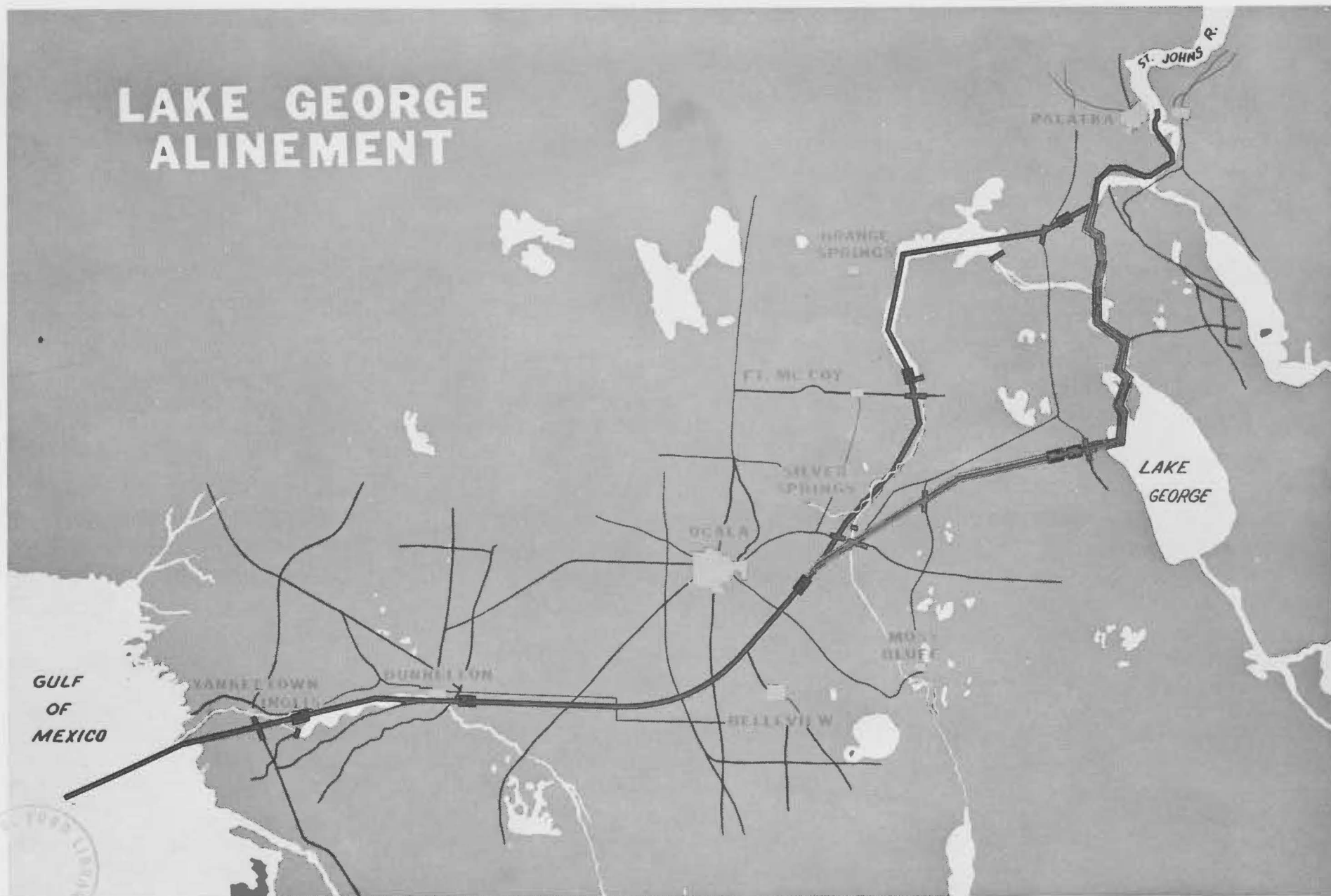
**EUREKA TO HIGHWAY 40
(NON-RIVER ALINEMENT)**



**EUREKA TO BERT DOSH LOCK
(NON-RIVER ALINEMENT)**



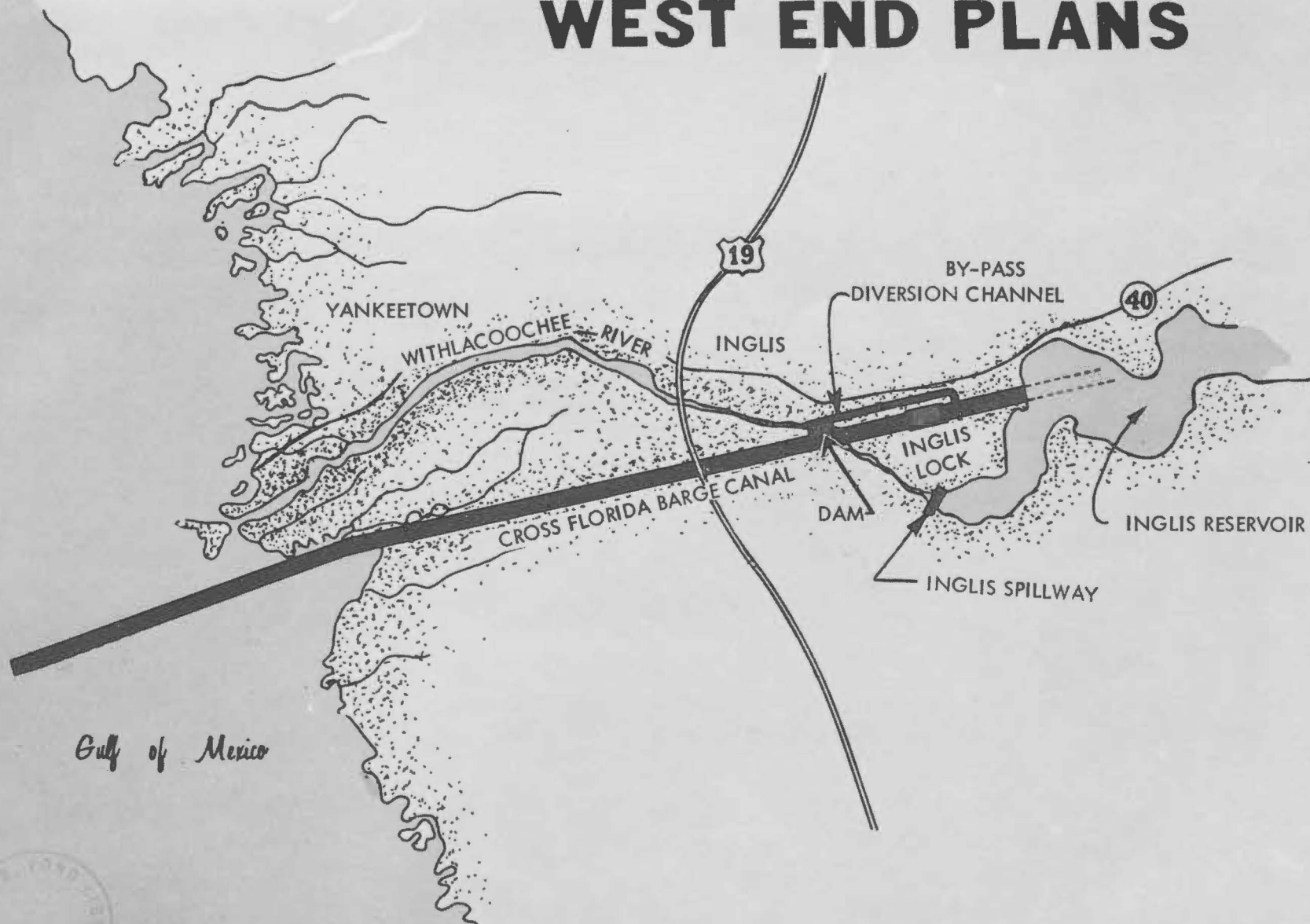
LAKE GEORGE ALINEMENT



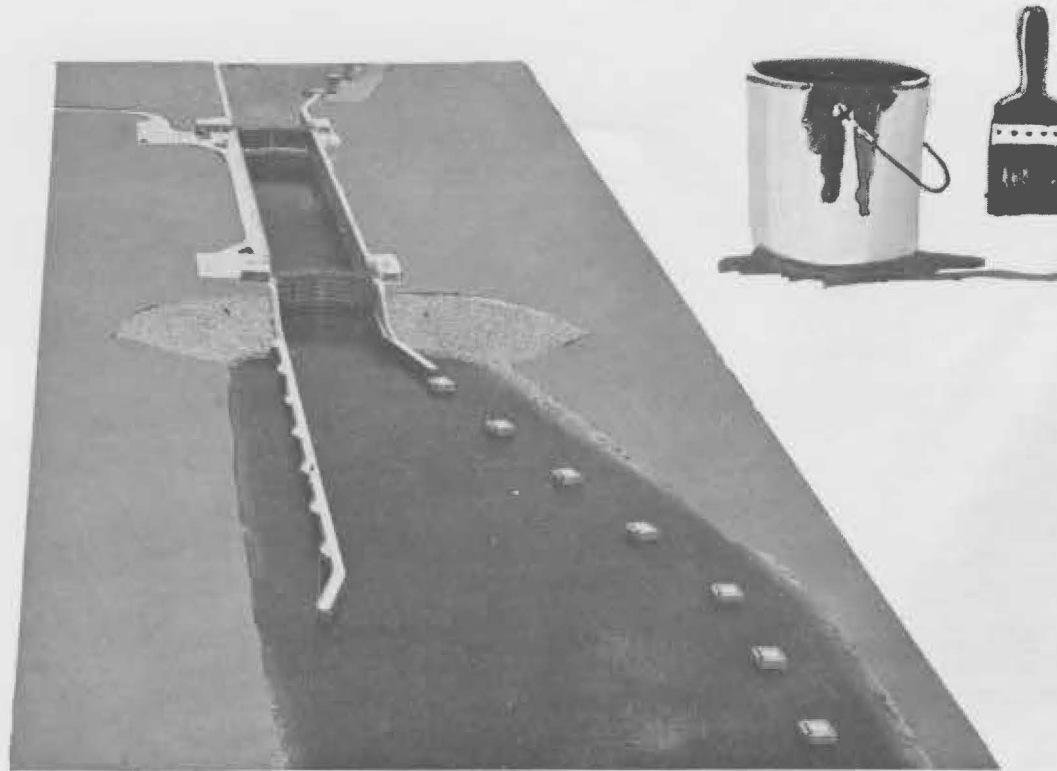
SUMMIT REACH PLANS



WEST END PLANS



PRESERVE COMPLETED WORKS



ABANDONMENT



**RESTORE ORIGINAL
CONDITION**



ALTERNATIVES

1. AUTHORIZED PLAN
2. EUREKA TO HIGHWAY 40
NON-RIVER ALINEMENTS
- 3A. EUREKA TO BERT DOSH LOCK
NON-RIVER ALINEMENTS
- 3B. LAKE GEORGE ALTERNATIVE
4. SUMMIT REACH PLANS
5. WEST END PLANS
6. PRESERVE COMPLETED WORKS
7. ABANDONMENT
8. RESTORE ORIGINAL CONDITIONS



ISSUES

AQUATIC WEEDS

TERRESTRIAL VEGETATION

GEOHYDROLOGY

SEEPAGE

FLORIDAN AQUIFER

WATER SUPPLIES

EUTROPHICATION

WATER QUALITY AND QUANTITY

SALT WATER INTRUSION

FISHERIES



ISSUES

WILDLIFE

RECREATIONAL USE

EARTHQUAKES

EMERGENCY SPILLS

MAINTENANCE COSTS

TRANSPORTATION ECONOMICS

SECONDARY IMPACTS

ADEQUACY OF DESIGN

EXCAVATION IMPACTS

DREDGING TURBIDITY



ENGINEERING

FIELD SURVEYS

HYDROLOGY AND HYDRAULIC DESIGN

DESIGN AND CONSTRUCTION COST ESTIMATES

FOUNDATION AND SEEPAGE STUDIES

COST ESTIMATES

DATA NEEDS

TOPOGRAPHIC HYDROGRAPHIC FIELD SURVEYS (CORPS)

CORE BORINGS (CORPS)

HYDROLOGY STUDIES (CORPS-CONTRACT)

PUMPING TESTS (CORPS-USGS)

HYDRAULIC DESIGN ALTERNATIVES (CORPS)

NEW COST ESTIMATES (CORPS)



ENVIRONMENTAL

FISHERIES

WILDLIFE

VEGETATION

WATER QUALITY AND QUANTITY

SOCIO-ECONOMIC AND ECOLOGICAL ASSESSMENT

RECREATION

AIR QUALITY

DATA NEEDS

BASIC DATA IN ALL DISCIPLINES (CONTRACT)



ECONOMICS

TRANSPORTATION

FLOOD CONTROL

RECREATION

BENEFIT-COST ANALYSIS

DATA NEEDS

TRANSPORTATION BENEFIT REEVALUATION (CONTRACT)

UPDATE FLOOD CONTROL BENEFITS (CORPS)

RECREATIONAL STUDY (BOR)

UPDATE COSTS (CORPS)



CHRONOLOGY OF EVENTS TO DATE

31 JAN 74 JUDGE JOHNSEN'S RULING ON CFBC

20 FEB 74 INITIAL MEETING OMB - ARMY SHOULD BE LEAD AGENCY - WOULD PROVIDE POS WITHIN FEW WEEKS.

22 FEB 74 AGENCY COORDINATING MEETING IN SAD (SAD CALLED IN REGIONAL REPRESENTATIVES.)

5-8 MAR 74 FIRST MEETING INTERAGENCY COORDINATING COMMITTEE IN JAX D.O. (WORK ON POS)

21-22 MAR 74 MEETING ICG IN JAX TO PREPARE SCOPE OF WORK AND CRITERIA FOR SELECTION A/E CONTRACTOR: ALSO, TO SUBMIT DESIRED LISTING.

22 MAR 74 SECOND MEETING IN OMB, DISCUSS MANAGEMENT PLANS

28 MAR 74 THIRD MEETING IN OMB - CORPS WOULD BE LEAD AGENCY - DATA WOULD BE FURNISHED CORPS BY ALL AGENCIES - DEVELOP POS - WASHINGTON LEVEL COORDINATING COMMITTEE DISCUSSED MANAGEMENT PLAN - FUNDS.

9-10 APR 74 REGIONAL AGENCIES BRIEFING AND FIELD TRIP (PRINCIPALS)
DEPARTMENT INTERIOR
USFS
EPA
CORPS

10-11 APR 74 MEETING ICG IN JAX TO REVIEW POS WITH VIEW TO REDUCING OVERALL COST SET PRIORITY ON DATA AND STUDY NEEDS AND FUNDING REQUIREMENTS.

11 MAY 74 POS TO OCE



CHRONOLOGY OF EVENTS TO DATE (CONT'D)

24 MAY 74	WASHINGTON POLICY GROUP MEETING IN SEC. ARMY'S OFFICE TO DISCUSS POS
5 JUL 74	AWARD BATTELLE CONTRACT - PHASE 1
9 JUL 74	FINAL PLAN OF STUDY
15 JUL 74	WASH. LEVEL AGENCY BRIEFING AND FIELD TRIP (SEC ARMY, OCE, OMB, CEQ, DOI)
13 AUG 74	JUDGE JOHNSON'S RULING ON CFBC
22 AUG 74	ICG MEETING - MIDPOINT REVIEW BATTELLE CONTRACT. COLUMBUS, OHIO.
4 SEP 74	AWARD TRANSPORTATION ECONOMICS STUDY - A. T. KEARNEY, INC.
4 OCT 74	ICG MEETING - REVIEW OF BATTELLE REPORT ON ASSESSMENT METHODOLOGY.
9 OCT 74	PHASE I REPORT RECEIVED
10 OCT TO 25 OCT 74	AGENCY REVIEW OF BATTELLE'S REPORTS
13 NOV 74	ICG MEETING TO DISCUSS DIVISION OF WORK AND FUTURE PLANS.



DATA COLLECTION AND PROFESSIONAL SERVICES

ITEM	"BY"
FISHERIES WILDLIFE	GAME & FRESH WATER FISH COMMISSION - STATE OF FLORIDA.
PLANKTON & BENTHOS	CONSULTANT: ENVIRONMENTAL AND RESEARCH TECHNOLOGY.
VEG. AQUATICS	CONSULTANT: JOYCE ENVIRONMENTAL CONSULTANTS, INC.
VEG. TERRESTRIAL	U. S. FOREST SERVICE
WATER QUALITY & QUANTITY	UNITED STATES GEOLOGICAL SURVEY - (DEPT. OF INTERIOR).
RECREATION	BUREAU OF OUTDOOR RECREATION - (DEPT. OF INTERIOR).
TRANS. ECONOMICS	CONSULTANT: A. T. KEARNEY, INC.
SOCIO-ECONOMIC ASSESSMENT & AIR QUALITY	CONSULTANT: TO BE SELECTED.
ENGINEERING	CORPS & U.S.G.S.



FUNDING STATUS

INITIAL ALLOTMENT	11 MARCH 1974	\$ 150,000
ADDITIONAL ALLOTMENT	28 JUNE 1974	75,000
ADDITIONAL OBLIGATION AUTHORITY \$325,000	3 AUG 1974	
FY - 75 ALLOTMENT	1 NOV 1974	1,000,000
TOTAL AVAILABLE		\$1,225,000



MODIFIED SCHEDULE
TRACK I - TRACK II

PHASE I (BATTELLE)

TRANS ECONOMICS STUDY (AT KEARNEY)

FLOOD CONTROL (JAX)

RECREATION (PROJECTIONS BOR)
(BENEFITS - COSTS JAX)

ENGINEERING (JAX)

FISHERIES (G & FWFC)

WILDLIFE (G & FWFC)

VEG. AQUATIC (CONSULTANT)

VEG. TERRESTRIAL (USFS)

WATER QUANT. & QUAL. (USGS)

SOCIO-ECONOMIC ASSESSMENT & PHASE II AND AIR QUALITY (CONSULTANT)

RE STUDY REPORT AND EIS

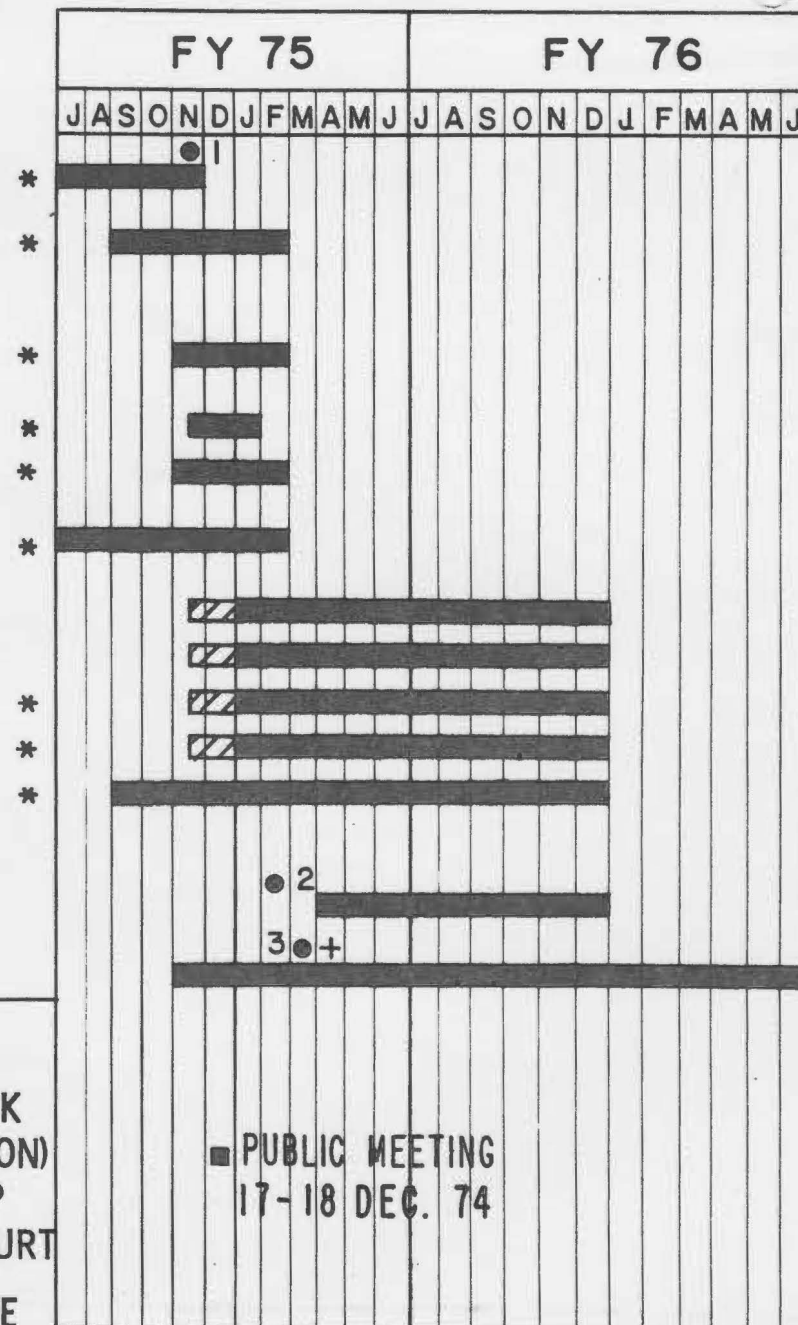
+ PROGRESS REPORT TO COURT

● ICG MEETING 1. 13 NOV. 74

2. 3 FEB. 75 (SCOPE OF WORK
PHASE II - MODEL SELECTION)

3. 17 - 18 MAR 75 (WORKSHOP
ON PROGRESS RPT TO COURT

* AVAILABLE DATA PLUS STUDY DATA TO DATE



INTERAGENCY COORDINATING
GROUP

CORPS OF ENGINEERS

DEPARTMENT OF INTERIOR

FISH AND WILDLIFE SERVICE

BUREAU OF OUTDOOR RECREATION

UNITED STATES GEOLOGICAL SURVEY

DEPARTMENT OF AGRICULTURE

UNITED STATES FOREST SERVICE

ENVIRONMENTAL PROTECTION AGENCY

STATE AGENCIES

DEPARTMENT OF NATURAL RESOURCES

FLORIDA GAME AND FRESHWATER FISH COMMISSION

CANAL AUTHORITY

DEPARTMENT OF ADMINISTRATION



UNITED STATES
DEPARTMENT OF THE INTERIOR
ASSISTANT SECRETARY FOR FISH AND WILDLIFE AND PARKS
WASHINGTON

2/18/75

To: Norm Ross

F. Y. I.

A/S Reed



08012

St. Petersburg Times Editorials

*"The policy of our paper is very simple — merely to tell the truth."
— Paul Poynter, publisher, 1912-1950*

16-A

Thursday, February 6, 1975

Thrice wrong



ROUTING AND TRANSMITTAL SLIP		ACTION	
1 TO Mr. Norman E. Ross, Jr. Staff Assistant Domestic Council Staff Old Executive Office Building	INITIALS	CIRCULATE	
	DATE	COORDINATION	
2 Washington, DC 20500 <i>rf</i>	INITIALS	FILE	
	DATE	INFORMATION	
3	INITIALS	NOTE AND RETURN	
	DATE	PER CON - VERSATION	
4	INITIALS	SEE ME	
	DATE	SIGNATURE	

REMARKS

Attached is the monthly status report for April on the progress of the restudy report and environmental impact statement for the CROSS FLORIDA BARGE CANAL.

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions

FROM Keith Adams, Corps of Engineers	DATE 4/29/75
	PHONE 693-1590

STUDY REPORT-EIS - CROSS FLORIDA BARGE CANAL

MONTHLY STATUS REPORT

10 April 1975

This is the fourth monthly report intended to keep ICG members apprised of the progress of the restudy report and EIS.

1. ENGINEERING: All field survey work completed. Basic hydrological data reviewed and updated. Foundation investigation and core borings completed. Interim report on pump tests completed. Preliminary cost estimates completed.
2. CONSULTANTS: Work on contracts is summarized as follows:
 - a. Phase I Contract Report; Battelle Columbus Laboratories. Contract closed out. Revised Volume 2 to the report is inclosed.
 - b. Transportation Economics; A. T. Kearney, Inc. Interim report completed on 28 March.
 - c. Aquatic Vegetation; Joyce Environmental Consultants, Inc. Interim report for Track I study received on 5 March 1975. Literature research continues. Diving and field data gathering scheduled for late April.
 - d. Water Quality; U. S. Geological Survey. Completed dissolved oxygen transects in both lakes. April sampling started on 9 April as scheduled.
 - e. Terrestrial Vegetation; U. S. Forest Service. Ground check of photo-interpreted vegetation communities completed, and information relayed to Florida Game & Fresh Water Fish Commission. Re-measure of tree plots completed.
 - f. Plankton and Benthos; Environmental Research and Technology, Inc. Primary productivity measurements for March completed. Plankton and benthos samples being processed.
 - g. Recreation Study; Bureau of Outdoor Recreation, D.O.I. Interim report for Track I received on 25 March.
 - h. Fisheries Study; Florida Game and Fresh Water Fish Commission. First segment of electrofishing is completed. Creel census is on schedule.



Back 1

i. Wildlife Study; Florida Game and Fresh Water Fish Commission.

Eight permanent sampling sites are established for all faunal types, and sampling (censusing for birds) has begun. Permanent herpetofaunal pit trap sites, in addition to the all-fauna sites, have been selected. Two intensive bird census tracts of 40 acres each have been selected. Turtle sampling sites have been selected. Mammal and herpetofauna trapping is proceeding and data are being produced.

3. SUMMARY: A status report summarizing findings to date is being prepared for submission to the Court on 1 May 1975. It is tentatively planned to call an ICG meeting in the last week of April to review scope of work for Phase II contract and to present and discuss the above status report. You will be advised at least 10 days in advance.

1 Incl
Battelle Report, Vol. 2

WILBERT S. EISENBERG
Project Manager
CFBC - Special Project Office
U. S. Army Corps of Engineers
Jacksonville District, Florida



ROUTING AND TRANSMITTAL SLIP		ACTION
1 TO Mr. Norman Ross, Jr. Staff Assistant Domestic Council Staff	INITIALS	CIRCULATE
	DATE	COORDINATION
2 Old Executive Office Building	INITIALS	FILE
	DATE	INFORMATION
3	INITIALS	NOTE AND RETURN
	DATE	PER CON - VERSATION
4	INITIALS	SEE ME
	DATE	SIGNATURE
REMARKS Dear Mr. Ross: Attached is the monthly status report for the Cross Florida Barge Canal.  5-16 Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions		
FROM Mr. Keith Admas, Chief, Eastern Branch, Planning Division, Corps of Engineers		DATE 15 May 75 PHONE OX 31590

File

STUDY REPORT-EIS - CROSS FLORIDA BARGE CANAL

MONTHLY STATUS REPORT

10 May 1975

This is the fifth monthly status report intended to keep ICG members apprised of the progress of the restudy report and EIS.

1. ENGINEERING: All field survey work completed. Preliminary cost estimates have been prepared. Preliminary report on pump test received from USGS.

2. CONSULTANTS: Work on contracts is summarized as follows:

a. Phase I Contract Report; Battelle Columbus Laboratories. Contract closed out.

b. Transportation Economics; A. T. Kearney, Inc. Interim report completed on 28 March. Draft of various appendixes being submitted for Corps review.

c. Aquatic Vegetation; Joyce Environmental Consultants, Inc. Interim report for Track I study received 5 March 1975. Literature research continues. Diving and field data collection is on schedule.

d. Water Quality; U. S. Geological Survey. Dissolved oxygen and temperature transects have been completed.

e. Terrestrial Vegetation; U. S. Forest Service. Eagle-osprey nesting data is complete. All field work on vegetation stand mapping is complete. Land use classification is complete. Vegetation maps with soil correlations are being prepared.

f. Plankton and Benthos; Environmental Research and Technology, Inc. Plankton and benthos samples are being processed.

g. Recreation Study; Bureau of Outdoor Recreation, D.O.I. Interim report for Track I received 5 March 1975. Personnel on board to conduct survey of recreationists.

h. Fisheries Study; Florida Game and Fresh Water Fish Commission. Block-netting and electrofishing is on schedule. Literature research is underway. Creel census is on schedule.

i. Wildlife Study; Florida Game and Fresh Water Fish Commission. Eight vertebrate sampling sites have been established. Four intensive bird study sites and eight can-trap sites have been established. Bear signs have been found at Lakes Eaton and Mud.



2001

3. SUMMARY: A status report summarizing findings to date has been submitted to the Court. Interim reports are now being prepared that summarize our findings to date. These reports cover the areas of engineering, environmental, and economics. The reports are being edited and finalized and should be printed and available for release to the ICG for review by the first week in June. Tentative plans are being made for public meetings in Miami, Tampa, and Palatka on 16, 17, and 23 June 1975, respectively, to present current status of studies to the public. More information will follow.

WILBERT S. EISENBERG
Project Manager
CFBC - Special Project Office
U. S. Army Corps of Engineers
Jacksonville District, Florida

EXECUTIVE PROTECTIVE SERVICE

To: Officer-in-charge
Appointments Center
Room 060, OEOB

Please admit the following appointments on June 16, 19 75

for Norman E. Ross of White House
(Name of person to be visited) (Agency)

Time: 10 a.m.

*Cross 7 loads Barge canal
over
canal on this date May 19*

Additions to be added --

ALLEN, DEWEY (Mayor)

EDMINSTON, Joe (Dr)

GARDNER, RANDY Port Authority (Jacksonville)

SMITH, Lewis - Member of Canal Authority

Delete:

Rou, George

Kirkland, J. G.

Fugate, Murray E.

MEETING LOCATION

Building OEOB

Requested by Phyllis Tucker

Room No. 248

Room No. 218 Telephone 6554

Time of Meeting 10 a.m.

Date of request June 16

Additions and/or changes made by telephone should be limited to three (3) names or less.

DO NOT DUPLICATE THIS FORM.



List of names of people attending meeting on Monday, June 16
at 10 a.m. (Cross Florida Barge Canal)

✓SIKES, HOMER B. /^{Jr} (Chairman of the Board of County Commissioners)

WALKER, Eugene L. (R.) Mayor

0 / BUNTON, RAYMOND B. (Putnam County Coordinator)

✓DELZELL, JOHN M. (Publisher of Pulaka Daily News)

✓MELIN, PAUL W. (Commissioner) (Chairman of Marion County
Booard of Commissioners)

~~RON, GEORGE M. (Commissioner)~~

~~KIRKLAND, J. G. (Commissioner)~~

✓~~EUGATE, MURRY E. (Commissioner)~~

✓DRAWDY, R. LEE (Commissioner of Clay County
and Jacksonville County Councilman)

✓HUNTLEY, J. EARL (Executive Vice President

✓OWENS, WILLIAM D. (Representing the Counsel

✓EVANS, GILES L. Jr. (^{Manager}~~Attorney~~ of the Authority) *Jacksonville Port*

✓ELLIOTT, RALPH (Attorney for the Authority) *Jacksonville Port*



7.
GILES L. EVANS, JR.
MANAGER



THE CANAL AUTHORITY OF THE STATE OF FLORIDA

803 ROSSELLE STREET
JACKSONVILLE, FLORIDA 32204

July 3, 1975

DIRECTORS

L. C. RINGHAVER, CHAIRMAN
JACKSONVILLE
LOUIS F. SMITH
PENSACOLA
HOWARD L. HILL
TAMPA
EARLE W. ESTELLE
MIAMI
WILLIAM J. RODGERS, JR.
OCALA

Mr. Norman Ross, Jr., Asst. Director
Domestic Council, White House Staff
Old Executive Office Building
Washington, D. C.

Dear Mr. Ross:

This is a somewhat belated note to express our appreciation for your very kind meeting with the Cross Florida Canal contingent on 16 June. I have been on the go out of State most of the time since, but did manage to attend the 30 June public meeting conducted by the Corps of Engineers in Palatka. I didn't detect anything especially new or unusual from any direction. These meetings do seem to serve to let the people with burning desires and emotions vent their feelings and thereby become involved in the decision-making process.

I mentioned to you when we were there the subject of war risk insurance premium savings that the Barge Canal affords in time of conflict. I believe that my basic premise is sound and that the assumptions are very conservative. I feel that the projections are as legitimate as any other economic or social projection being enunciated these days. Thus far, no one seems to have taken exception nor made any move to disprove them.

Attached are several successive treatments of the subject. Fundamentally, it boils down to using the Canal for movement of up to one million barrels of oil per day. The protected route thereby afforded would serve to reduce or eliminate the war risk insurance premiums otherwise imposed on ocean-going shipping. Based on a one-year conflict occurring every thirty years, these insurance premium savings total something over \$800 million and pro rate out at about \$27.4 million per annum for each of the thirty years. This should be sufficient credit to warrant constructing the project along almost any alternative deemed appropriate. The Palatka meeting further stressed the fact that transportation studies to date have verified no coal nor petroleum and no agricultural products movements of any significance. With the growing emphasis and stress on conversion to coal fuel for fossil fuel electric generating plants, coal tonnages should become a major ingredient of cross Florida movements and should help create a more satisfactory benefit-cost ratio situation.

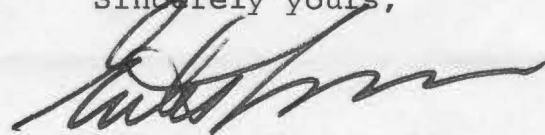


Mr. Norman Ross, Jr.
Page Two

Dr. Edmisten and Dr. Kerr were out on Lake Ocklawaha over the weekend and they, as well as Dave Bowman, tell me that the weed situation is not yet as bad this year as it was at the same time last year. I hope it remains that way, but have my fingers crossed.

Thanks again for your consideration, and I hope that you will let us know when you are making another visit to the Project.

Sincerely yours,



Giles L. Evans, Jr.
Manager

GLE:J
Enclosures



STATEMENT BY
MANAGER, FLORIDA CANAL AUTHORITY
CORPS OF ENGINEERS' PUBLIC MEETING
ON CROSS FLORIDA BARGE CANAL
PALATKA, FLORIDA

30 JUNE 1975

see PB3-H.

The continued game of musical chairs played by the environmental activist front in its opposition to the Gulf-Atlantic Intercoastal Waterway, commonly known as the Cross Florida Barge Canal, always remains an interesting phenomenon to watch.

First, they conned and hood-winked an uninformed and gullible public and officialdom into a state of deep alarm about imaginary environmental disasters - viz. - reservoir induced earthquakes; disruption of the Floridan aquifer; salt-water intrusion into Florida's major ground water supplies; destruction of rare and endangered species such as the Bald Eagle, Osprey, panther, and Florida alligator. The extended Federal Court litigation has considered and found each of these contentions incorrect. The Court verdict dismissed all the individual complaints of the "front", except the right, common to every citizen, of having a complete environmental statement prior to continued construction. The Corps' current extended environmental investigation is laying these issues even further to rest.

Now, we see this opposition suddenly switch to a great concern for economics. Their track record thus far has highlighted their equal

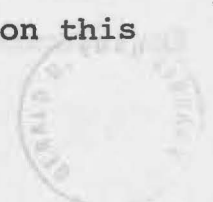


misunderstanding of statutory and administrative procedures, as well as the economic facts of life. But perhaps they care nothing about jobs, average incomes, rational costs, and related aspects of making a livelihood in today's Florida society.

This "fine-tuning" of the Waterway's economic aspects, all things considered, seems a bit over-done. There appears to be no attempt to exclude added costs stemming solely from an unconstitutional action--the Canal stop order--by the Executive Branch of the government. The Corps' economic analysis apparently contemplates an unduly extended construction program of an additional 9 or 10 years, rather than a more logical and reasonable 4 to 5 years. After all, the initial construction program was established at 6½ to 8 years; any extensions were political, not technical nor economic, in nature.

The project, today, is about 40% complete; and detailed designs of the remaining elements are far more complete than was the status when construction began in 1964. Extended construction schedules invariably increase initial investment costs considerably. This project should not be handicapped by any such arbitrary, or non-technical, constraints.

There is little need for us to underscore the tremendous additional transportation potential benefits the Waterway affords through the movement of coal to Southeastern electric generating plants. The news is full of reports about the energy crunch, and the Congress is processing legislation to accelerate mandatory conversion of power plants to coal-burning capabilities. The Corps' studies already have touched on this



aspect but thus far have included no benefits arising from this potential coal movement.

But the entire economic question readily resolves itself, merely through taking another look at the basic justification of the Project in the 1942 Authorization Act when the primary concern was National Defense. A very conservative analysis shows that in one single year of major international conflict, occurring only once every 30 years, the Canal could save the American taxpayers about \$822 million--or \$27.4 million benefits each year for the 30 years. These beneficial savings accrue through reducing, or eliminating, war-risk insurance premiums otherwise payable on ocean tanker movements of petroleum products from the Gulf Coast to the Eastern and Southeastern Seaboard, or Petroleum Administration District I (PAD I). We might note that the United States has been at war 10 out of the last 30 years.

War Risk insurance premiums are charged separately against cargoes and hulls. Hull insurance is good for one trip of short duration and should run about 4% of the hull value, or more. Cargo insurance varies widely, but reached 25% of value in the Mekong River during closing days of the Viet Nam conflict.

Modern tankers in the Gulf-Atlantic run range between 35,000 and 90,000 tons, with 65,000 as an approximate average. They cost, under 1973 contracts, between \$310 and \$450 per ton. A conservative average would be \$350 per ton. Cargo values likely will range upward of \$7 per barrel by 1985. Hence, a tanker in 1985 should have a replacement value



of some \$23,000,000; its cargo, about \$3,200,000.

The 1942 authorization was predicated on the Canal potential for eliminating, or reducing, submarine losses in the Gulf-Atlantic Ocean-borne traffic, the most vital element of which was petroleum products moving from the Gulf into PAD I. In 1946, the Board of Engineers for Rivers and Harbors computed the dollar value of the World War II sinkings, considered the future trends of traffic and economics, and based on a conflict every 25 years, derived the annual value of shipping losses averted as \$3,600,000. The Corps has applied no monetary value to National Defense Benefits in any of its subsequent economic evaluations, although Consultants for the Canal Authority have up-dated and reported revised values several times since 1946. But each of these exercises has approached the issue on the basis of eliminating a conjectural amount of shipping losses because of using the Canal as an alternate. This has proven a difficult premise to substantiate with actual figures.

Our recent Viet Nam involvement, the findings of the Project Energy study, the report of Petroleum Systems Vulnerability prepared for the Civil Preparedness Agency, and trends in petroleum demands for PAD I, afford a more straight-forward and acceptable method of analysis. This entails computation of War Risk Insurance premiums avoided, or fore-gone, by using the Canal as an alternate route for moving petroleum from the Gulf Coast to PAD I.



Even without a completed Carrabelle-Anclote protected inland channel, shallow-draft barges can move close off-shore in 12 feet of water. Even the smallest effective submarines will need close to 60' depth to operate submerged with any appreciable cover. An examination of the Coast and Geodetic Charts indicates several miles lateral separation of the 12' and 30' depth alignments, with 9 or 10 more miles out to the 60' depth contour. These clearances minimize, or eliminate, threat of submerged missiles or any effective submarine interference. The deep Florida Straits route, with an unfriendly Cuba alongside, is an entirely contrary, and high risk, situation.

The Cross Florida Barge Canal, in being, can contribute significantly to safe movement of Petroleum into PAD I. The Canal locks will be the controlling factor in traffic capacity. Using a 20-hour day, a 50-minute lockage, and three 15,000-barrel barges, plus tow-boat, per lockage, the Canal could handle approximately 1,000,000 barrels per day. More intensive management efforts might increase this somewhat, but other vital commodities, such as fuel coal, would be competing for a share of the lock capacity.

The safe Canal route thus could obviate a major increment of war risk insurance premiums. At 1,000,000 barrels per day, cargo savings would be: $(\$7 \times 1,000,000 \times 0.05) (360/30) = \$4,200,000$ per annum, covering a one-year conflict, arising once in 30 years. The hull insurance savings would approximate: $(1,000,000/7) (.04 \times 350) (360/30) = \$23,200,000$



per annum, for the same frequency and duration.

The combined annual savings to the public, based on these very conservative premises, totals \$27.4 million per annum--a figure that justifies building the Canal just to reduce future war risk insurance premiums.

But one essential factor underlies all these considerations--the Canal facilities, if they are to be effective, must be in place prior to any conflict. We are glad to learn that the House Appropriations Committee has provided \$825,000 in the Public Works Appropriation Bill for completion of the Corps' restudy activities. We trust that the Congress will be equally perceptive in funding an efficient and logical pace of resumed construction once all the Corps' studies are complete. We believe that the Congress fully understands and appreciates the long-term economic, environmental, and energy conservation attributes of the Project, as well as its tremendous overall beneficial impact on the Southeast and the National well-being and quality of life.



EXTRACTS -- Canal Authority Statement to: U. S. House and
Senate Appropriations Sub-Committees on Public
Works - FY 1976-77.

May 1975



We conject that an appreciable portion of increased costs stems from changes imposed in the name of "environmental enhancement", or the like. Such costs should be separated and clearly labeled as such. Neither the Court trial evidence, nor subsequent additional investigations, seem to have verified any proven project environmental damages to any specific plant, animal, bird, fish, or other wild-life, without compensating enhancement of others. The records have verified the enhanced environmental well-being of such troubled species as the Bald Eagle, Osprey, Limpkin, Kite, and Alligator, especially in the Lake Ocklawaha environs.

We find something very disturbing and inequitable in any contemplation of forcing a legally justified and initiated project to swallow all the after-effects of an unconstitutionally imposed interruption, without any verified valid cause of environmental degradation, coupled with hobbling inaction and choked in the quick-sand of economic chaos. We trust that the Congress will bear these aspects in mind during its ultimate deliberations about the project.

We hold that the project could contribute materially to alleviating current unemployment problems. The January 1971 White House stop order wiped out several hundred construction jobs on the project. A high-gear resumption of construction could reemploy



close to a thousand men in a relatively short time. The prospect warrants attention and emphasis.

Our energy crises is another area of help from the Canal. This committee already is aware of the energy efficiency aspects of Water Transportation. Further, the project affords potential for moving energy materials themselves: coal, petroleum, or nuclear plant components. The FEA's Project Energy studies already have highlighted the demands for added waterway transportation capabilities; and the Canal affords a key element of the overall system.

++ We would like to urge a careful look at the potential National Security benefits from the project. The Board of Engineers for Rivers and Harbors in a 1946 report evaluated our World War II shipping losses to submarines, the probable trends of the future, and the safe alternative afforded by the Canal, to compute an average annual economic saving, or net public credit, of \$3,600,000 through averting war losses from wars with a 25-year recurrence period. Subsequent analyses have produced varying increased projected savings, but never have been included among project benefits. This possibly arises through reluctance of Corps economists to tackle the problem of putting a dollar sign on defense benefits. They may have concluded that National Defense is a paramount national objective which warrants no Benefit-Cost evaluation.



We would proffer and urge acceptance of another very clean-cut procedure for putting a logical price tag on defense benefits. With the Viet Nam debacle fresh in mind, we could borrow from recent experience there. This is the matter of War Risk insurance, which is paid for, ultimately, from the tax payers' pocket. War Risk Insurance is written for hulls and cargoes, separately. The hull insurance covers one trip at a time and for a very limited time period. It averages about 4% of the hull value. Cargoes have similar procedures, and rates have run as high as 25% of cargo values for recent runs into the Mekong River.

With an unfriendly Cuba bestride the Florida Straits, and in light of current submarine technology, War Risk insurance on shipping in the Gulf-Atlantic run is likely to approach at least the Viet Nam rates. Project Energy findings indicate a continually increasing flow of petroleum products from the Gulf area to the Eastern Seaboard.

The Canal, operating close to maximum levels, could handle about 1,000,000 barrels of petroleum per day, along a route safe from submarine interruption. The War Risk insurance along the Canal route should be a fraction of that for the Florida Straits. Considering that one ton of tanker capacity will handle about seven barrels of \$7 a barrel oil, and that tanker hulls now cost between

\$315 and \$415 per ton, it is simple to compute potential savings in War Risk insurance.

We do need to select a war recurrence period. Noting that the United States has been in armed conflict for 10 of the past 30 years, a once in 30 years recurrence appears conservative. A further constraint would arise from limiting this conflict to a one year duration. For 4% hull insurance fore-gone, the annual savings compute as:

$$(1,000,000/7) (.04 \times \$350) (360/30) = \$23,200,000$$

Using 5% cargo insurance, the annual savings compute as:

$$(\$7 \times 1,000,000 \times .05) (360/30) = \$4,200,000$$

We could afford to build the Canal on the basis of these War Risk insurance savings alone!

Any such set of computations, admittedly, is subject to refinement or to modification through altered assumptions; but the results herein presented stem from conservative assumptions about future trends. This approach not only is rational, but appears compatible with national objectives and in consonance with the Congressional mandates in Section 80 of the 1974 Water Resources Development Act.

In order to underscore these non-military National Defense prospective benefits, we would cite a May 1973, report which the Department of Interior's Office of Oil and Gas compiled for the



Defense Civil Preparedness Agency. The report, Vulnerability of Total Petroleum Systems, reiterates the vital role of tankers moving crude oil from the Gulf to PAD I (Eastern Seaboard); it underscores the total application of existing pipelines to the movement of gas and non-crude petroleum products. At the same time the report highlights the lack of adequate new refinery facilities in PAD I and stresses the vulnerability of tanker runs, as well as the unreliability of foreign sources, in time of conflict.

Petroleum products constitute by far the largest portion of essential Gulf-Atlantic shipping. The demands of PAD I (Eastern Seaboard) have increased steadily. These requirements approximately tripled from 1,600,000 barrels per day in 1941 to over 3,300,000 barrels in 1963. FEA's November 1974 Report, Project Energy, indicates the 1963 requirements will more than double by 1985.

During World War II, emergency measures, by 1945, moved a maximum of about 1,700,000 barrels per day to PAD I; special shuttling of 74,000 tank cars for a short period moved 1,000,000 barrels per day, until the cars began to break down; the Big and Little Inch and smaller pipelines eventually handled 740,000 barrels per day. These lines cost \$161 million; and extra transportation charges as much as \$253 million per year. Even the 8" trans-Florida pipeline from Carrabelle to Jacksonville, which cost about \$9 million, carried only a nominal 30,000 barrels per day after its completion in April 1943.



Canal Authority of the State of Florida

Memorandum

to: District Engineer
U. S. Army Engineer District Jacksonville, Florida date: 29 April 1975

from: Giles L. Evans, Jr., Manager, Florida Canal Authority

subject: Economic Evaluation of National Security Benefits -
Cross Florida Barge Canal Project

Any economic evaluation of the Cross Florida Barge Canal Project which omits National Defense benefits is inadequate, both from a comprehensive rational approach, and through discordance with the Authorization legislation of 1942. This phase of economic evaluation too long has been neglected, possibly due to the difficulty of establishing any broadly acceptable process for computing benefits. This treatment is all too reminiscent of current practices for evaluating environmental modifications--a resort to "judgement" factors, aesthetic preferences, or opinion "calls", without any concrete economic weighting.

Nevertheless, ample precedent exists for assessing National Defense economic benefits of the Canal Project:

(1) The original authorization report from the Chief of Engineers asserted that war time benefits, together with commercial savings in peace time, warranted construction. Congress concurred.

(2) The Board of Engineers for Rivers and Harbors, in memorandum of 30 August 1946, carefully analyzed the World War II submarine losses in the Gulf-Atlantic run, considered future trends, and computed financial value of insurance in avoidance of war losses as \$3,600,000 per annum.

(3) Deputy Secretary of Defense letter of 29 May 1951 to President Truman reported the Joint Chief of Staff had reviewed Canal information with regard to military advantages and related aspects; they had concluded the project would provide an additional and shorter line of communication, and would reduce exposure of shipping to submarine attack. The JCS did consider the military aspects were so limited they should not constitute the primary basis of decision.



(4) 20 February 1956 Memorandum by Engineering Counsel, Florida Ship Canal Authority, treated the war insurance benefits in detail and derived a saving of \$22 million per year by 1965. This analysis up-dated the cargo and vessel costs, as well as petroleum demands of the Eastern Seaboard, from the 1946 Rivers and Harbors Board findings. Corps of Engineers 10 January 1958 Economic Re-study report included this updated computation as an attachment, but entirely disregarded the analysis with the comment, "However, the national defense values of civil waterway projects are not susceptible of monetary evaluation under present conditions. Accordingly, no monetary benefit has been assigned to any national defense value of this project".

(5) President Kennedy's supplemental budget message to Congress in June 1963, asking initial construction funds, cited the safe strategic movement of supplies in the Southeastern part of the nation.

(6) Corps of Engineers' justification data sheets presented annually to Congressional Appropriations Committees, prior to FY 1972, cited national defense benefits, but attempted no monetary evaluations.

(7) Congress, in Section 80, Water Resources Development Act of 1974, has called for wide-ranging study of relationship between water resources projects and varied national objectives and facets of well-being, which should encompass national defense aspects.

Four paramount questions immediately become obvious:

(A) What is relative magnitude of hostile threat to our Gulf-Atlantic shipping in today's world?

(B) What volume of essential ocean traffic moves on the Gulf-Atlantic lanes?

(C) To what extent could the Cross Florida Barge Canal alleviate this threat?



(D) How might any such alleviation logically be translated into monetary values?

A. The Department of Defense is responsible for pre-conflict planning as well as supervision of war time operations. It is rational to assume defense planners consider possible conflicts short of all-out nuclear holocaust. This has been the pattern, world-wide, for the past 30 years. During this period, the United States has engaged in two major non-nuclear conflicts, with a combined length of about 10 years, or one-third of the time.

Today, an unfriendly Cuba lies beside the Florida Straits. In 1942 Cuba was an ally, yet we suffered severe losses to German submarines prowling the Gulf-Atlantic runs, far from any home base or friendly port. Today's submersibles are far more sophisticated, faster, and longer ranged. At the same time, anti-submarine capabilities are far more effective. On balance, it appears obvious that potential hostile threat to Gulf-Atlantic shipping is greater than in World War II.

B. Petroleum products constitute by far the largest portion of essential Gulf-Atlantic shipping. The demands of PAD I (Eastern Seaboard) have increased steadily. These requirements approximately tripled from 1,600,000 barrels per day in 1941 to over 3,300,000 barrels in 1963. FEA's November 1974 Report, Project Energy, indicates the 1963 requirements will more than double by 1985. The May 1973 Report by the Department of Interior Office of Oil and Gas for the Defense Civil Preparedness Agency, Vulnerability of Total Petroleum Systems, reiterates the vital role of tankers moving crude oil from the Gulf to PAD I; it underscores the total application of existing pipe lines to the movement of gas and non-crude petroleum products. At the same time this report highlights the lack of adequate new refinery facilities in PAD I and stresses the vulnerability of tanker runs as well as the unreliability of foreign sources in time of conflict.

Obviously, the vital petroleum traffic between the Gulf and PAD I has magnified since World War II, and its protection presents an even more crucial problem during future conflicts.

C. During World War II, emergency measures, by 1945, moved a maximum of about 1,700,000 barrels per day to PAD I; special shuttling of 74,000 tank cars for a short period moved 1,000,000 barrels per day, until the cars began to break down; the Big and Little Inch and smaller pipelines eventually handled 740,000

barrels per day. These lines cost \$161 million; and extra transportation charges as much as \$253 million per year. Even the 8" trans-Florida pipeline from Carrabelle to Jacksonville, which cost about \$9 million, carried only a nominal 30,000 barrels per day after its completion in April 1943.

The Cross Florida Barge Canal, in being, can contribute significantly to safe movement of Petroleum into PAD I. The Canal locks will be the controlling factor in traffic capacity. Using a 20-hour day, a 50-minute lockage, and three 15,000-barrel barges, plus tow-boat, per lockage, the Canal could handle approximately 1,000,000 barrels per day. More intensive management efforts might increase this somewhat, but other vital commodities, such as fuel coal, would be competing for a share of the lock capacity.

One essential factor underlies all these considerations--the Canal facilities, if they are to be effective, must be in place prior to any conflict.

D. The previously mentioned 1956 memorandum by the Ship Canal Authority's Engineering counsel could be updated using today's values. Modern tankers in the Gulf-Atlantic run range between 35,000 and 90,000 tons, with 65,000 as an approximate average. They cost, under 1973 contracts, between \$310 and \$450 per ton. A conservative average would be \$350 per ton. Cargo values likely will range upward of \$7 per barrel by 1985.

Hence, a tanker in 1985 should have a replacement value of some \$23,000,000; its cargo, about \$3,200,000. The 1985 requirements would need about 220 tankers of 65,000 tons each, making 30 round trips per year. The estimated relevant total economic losses from tanker sinkings would compute as:
 $(0.308 \times 220 \times 0.85) (26,200,000) = \$1,500,000,000$, or \$50,000,000 per annum pro-rated over a 30 year period between conflicts.

But the Canal traffic capacity, without dual locks, remains fixed at about 1,000,000 barrels per day; hence it could not be expected to eliminate all sinkings, nor to create all the benefits therefrom. Conservatively, it might be credited with avoiding one-eighth the losses, or \$6,250,000 per annum.



District Engineer
Page Five

An alternative approach might utilize the war-risk premiums, fore-gone, as a measure of National Defense benefits. During the Viet Nam conflict war risk insurance on cargoes has reached as high as 25% of cargo values for recent trips up the Mekong. Recently, general Viet Nam area rates have soared from previous levels. A more usual rate should be in the range of 1%-2% of cargo values.

Hull war risk insurance, short of war between major powers, runs about 4% of the hull value, repeated for each trip.

Canal movements should obviate this war risk insurance. At 1,000,000 barrels per day, this cargo savings would be:
 $(\$7 \times 1,000,000 \times 0.05) (360/30) = \$4,200,000$ per annum, covering a one-year conflict, arising once in 30 years. The hull insurance savings would approximate:
 $(1,000,000/7) (.04 \times 350) (360/30) = 23,200,000$ per annum, for the same frequency and duration.

We strongly urge the Corps to incorporate these values in your current economic re-evaluation of the Project.

G. L. E.





florida ports and water resources association, inc.

SUITE 620 • BARNETT BANK BLDG. • TALLAHASSEE, FLORIDA 32301 • PHONE (904) 224-6867

Henry S. Toland
President

William D. Owens
Executive Director

July 3, 1975

Mr. Norman E. Ross
Assistant Director
President's Domestic Council
Old Executive Office Building
Washington, D.C.

Dear Mr. Ross:

On behalf of the Association, I wish to again express our sincere appreciation for the time you spent with us recently during the conference we held in your office on June 16 relevant to the Cross Florida Barge Canal Project.

We fully appreciate your objectivity, your patience, and your understanding of the problems that face business and industry in our state. From the comments of all the representatives who had the pleasure to voice them with you, I think you can easily see that the project is, indeed, vital to our economy. We sincerely feel a completion of the Canal will offer economical benefits, recreational benefits, employment for many Floridians, and conservation of fresh water that could possibly alleviate the fastly, developing fresh water crisis which we have in this state.

We hope that your office will keep our Association apprised on the progress of this project relevant to Washington's thinking and with this in mind, we respectfully request to be put on your mailing list to receive any pertinent information on periodic up-dates.

We further appreciate your personal attention and after meeting with you, we feel most confident that future considerations will not be prejudiced and biased as they have in the past. We do sincerely hope that this project will be judged entirely on its merits and free from political entanglement.

Again, thank you for your time and until we meet again, my warmest personal regards.

Sincerely,

William D. Owens
Executive Director

WDO/lw





FLORIDA DEFENDERS OF THE ENVIRONMENT, INC.

P. O. Box 12063

Gainesville, Florida 32604

July 16, 1975

Dear Mr. Ross:

As you are aware, the studies for the court-ordered Environmental Impact Statement (EIS) on the Cross-Florida Barge Canal (CFBC) are about at the half-way point. The Transportation Economics Executive Summary by A. T. Kearney and a Status Report by the Corps of Engineers have been released. Recently the Corps held a series of Public Meetings, here in Florida, in order to report their progress to the public and to receive comments from the public. F.D.E. presented testimony at these meetings. We enclose a copy of our testimony presented at the Miami Meeting.

Although the enclosed carefully developed testimony on the highly complex CFBC restudies is necessarily quite extensive, we would like to direct your attention to one very important point. We refer (pp 2-4) to the comparison of public costs with private benefits to a few shippers inherent in the "savings to shipper" concept employed by the Corps in their economic study of the CFBC and many other transportation projects. This "comparison of oranges and apples" give a grossly distorted picture of the true public benefits of such projects.

We find widespread lack of understanding of the inequity of such computations. The public knows very well that the costs of such public works are borne by the public and naturally assumes that the listed benefits accrue to the public-- but they don't.

We would be grateful for any comments you may care to make on this situation. Thank you.

Sincerely,

David S. Anthony

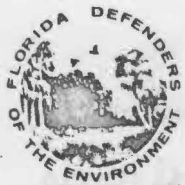
David S. Anthony
Vice President

Enclosure

P.S. In passing, it should be noted that a major category of costs (environmental costs) of the CFBC has not yet been included in any of the economic analyses yet released by the Corps (see pp 7-12).

P.P.S. We intend to develop a full critique of the Corps' economic analysis of the CFBC as soon as the matters discussed in pp 1 and 2 are resolved.





FLORIDA DEFENDERS OF THE ENVIRONMENT, INC.

P. O. Box 12063

Gainesville, Florida 32604

STATEMENT FOR CORPS OF ENGINEERS' PUBLIC MEETING

ON THE CROSS FLORIDA BARGE CANAL, MIAMI, FLORIDA, June 23, 1975.

I wish to congratulate the Corps of Engineers (COE) for initiating the series of public meetings such as this one on the controversial Cross-Florida Barge Canal (CFBC) issue. As a representative of the public whom you serve, I think it most commendable to find you actively seeking public input into considerations of the Barge Canal, a project which, through much of its history, has been notorious for exclusion of such input.

I am David S. Anthony, Vice President of Florida Defenders of the Environment (FDE). For your information, FDE is an organization of experts and specialists--economists, lawyers, scientists from many disciplines, etc., who have agreed to lend their expertise in attempts to solve Florida's environmental problems. Individuals (myself included) now within FDE have closely followed the Barge Canal controversy for more than a decade and FDE as an organization throughout its nearly six year history has intensively studied the project. As representatives of the Corps are abundantly aware, FDE very carefully "does its homework" before making a public presentation such as this. Through conferences, dozens of phone calls, and letters, we seek the judgement of the finest experts in the State and nation on positions we are about to take, and/or in critique of relevant documents from the Corps and others.

At this point we must inject a negative note. We have been severely limited in the scope of this presentation and in attempting to provide regular on-going input to the Corps by their failure to provide us with the relevant documents. The very least the Corps should now do is to schedule further Public Meetings after they have provided the public with all of the relevant documents--and there has been time to analyze them thoroughly. Specifically, in this case, we have been forced into

the position of having to comment on an executive summary of the transportation benefit data and a Status Report in the form of an affidavit from General Morris to Judge Johnsen. Both of these documents are virtually devoid of explanations of how the various numbers quoted were obtained, i.e. there was no explanation of methodology.

However, even within these limitations, our analysis shows that the Cross-Florida Barge Canal is a resounding "loser" on an economic basis alone--very likely a much worse economic disaster than has been reported recently by the Corps and the press. It is worse because some of the benefits reported are highly questionable and whole categories of costs have not yet been presented.

Before discussing specific examples of exaggerated benefits, we must present a fundamental criticism of the whole concept of transportation benefits as espoused by the Corps and presented in the two relevant documents, A.T. Kearney Co's. Executive Summary of Transportation Benefits and, Status Report of 16 April 1975 from General Morris to Judge Johnsen. The economists of national stature we contacted unanimously stated that the "savings to shippers" concept for calculating transportation benefits to the nation is fundamentally wrong even though the Corps argues this procedure is consistent with Section 7(a) of the Transportation Act of 1966. The prestigious National Water Commission in their June 1973 report refutes this position as follows:

Unfortunately, and in the opinion of the Commission unnecessarily, Section 7(a) has been interpreted as requiring the executive branch to confine its (economic) analysis (of waterway projects) to a determination of the first figure (savings to shippers). The law does not prevent the executive branch from applying any test of desirability that it considers essential to determining whether or not a project is in the national interest. (Words supplied for clarity.)

The Water Commission report goes on to say further that, "an estimate of the savings to shippers is of little value in determining whether a proposed waterway should be built." In a recent letter to FDE from the well known economist,

Dr. Robert Haveman, he wrote, "From an economic point of view this benefit concept has no basis whatsoever." This is true because the comparison made is between published rail rates (which include taxes and capital costs), and constructed barge rates (which do not include comparable taxes or the capital costs of the waterway itself). Such capital costs on waterways are not included because they are entirely paid for by taxpayers. The result of this comparison of oranges and apples is that, again in the words of Dr. Haveman (a University of Wisconsin economist who has been nationally known for more than a decade in the field of the economics of public works projects), "one gets a grossly exaggerated estimate of benefits if one compares rates (as the Corps and Kearney report do) rather than comparing costs." And again, as Dr. William Vickrey, the internationally known and respected economist from Columbia University stated in his recent letter to us,

A proper procedure would at the very least call for reducing the net benefits by the amount of loss of railroad profits which would have to fall on shippers or shareholders. If the consequences were to cause rail rates to rise or service to deteriorate or even be abandoned, an additional charge against gross benefits would have to be made.

A graphic description of the effects of such a distorted "savings to shippers" analysis was set forth in the recent testimony of Dr. Paul E. Roberts before the Senate Subcommittee on Water Resources, June 1975,

The determination of navigation benefits, on the basis of savings to shippers has been criticized as a concept which does not give full attention to the most general system of resource utilization. In fact, savings to shippers are just that, a full subsidy (transfer of resources) from the federal government to this segment of industry. There is no evidence that differences in transportation costs generated by comparing costs to shippers with rates of alternative modes of transportation represents any savings to society. One rather candid shipper testified before the Interstate Commerce Commission, when questioned about the benefit to consumers from transportation savings: "I'm going to tell you that we put the money in our pocket like everybody else did." (235 ICC115)



Another feature of the Kearney Report and the Corps' Status Report that was uniformly regarded by the economists as suspect was in the handling of discount rates. (Proper treatment of the discount rate is vital to the development of reliable benefit/cost ratios). Typical of the comments we received was this one by Dr. Haveman concerning the Kearney Report:

I have a very strong suspicion that Table 8 in the report is somehow in error. This is the table that calculates annual benefits employing different discount rates. I find it difficult to believe that movement from a 3 percent rate to a 6 or 7 percent rate yields as small a reduction in annual benefits as is indicated in that table.

Because of these caveats concerning transportation "benefits" ascribed to the CFBC, hereafter where such "benefits" are being discussed, we will include them between quotation marks, thusly.... "benefits."

Both the Kearney Report and the Corps Status Report (using data derived from the Kearney Report) apparently include 100% of the "benefit" from shipments which shippers estimated as having a 50/50 chance of occurring if the CFBC were complete. (The direct quote from the Kearney Report is that they included, "a significant movement which had a 50% probability of moving through the CFBC based on specific commercial arrangements being finalized at this time"). Surely the "benefits" from such shipments with a 50% probability of occurrence should have been discounted to about 50% of that for more certain shipments. How large an exaggeration has this produced? We are in the dark because such information is not in the documents released to us to this date.

The Kearney Report and the Corps' Status Report both blandly assume 365 days/year operation of the canal in calculations of benefits, and in their interviews of prospective shippers never even indicated otherwise. We find this difficult to accept while at the same time trying to believe the Corps of Engineers is now acting in good faith. In plenty of time to correct the then just beginning transportation economics studies, the Corps was informed at public meetings in December that extensive drawdown lasting 2 to 4 months at a time would probably be required at frequent

intervals if recreation benefits were to result from the project impoundments. These drawdowns would close the canal to normal barge traffic virtually eliminating transportation benefits for this duration, would produce zero recreation benefits during the drawdown, and during the same period would produce substantial negative land-enhancement "benefits." The Corps knew all of this, yet in December sought and obtained permission and then carried out a winter drawdown of two months. Their justification? That they wanted to test the winter drawdown technique as a future operating technique to maximize recreation benefits. Yet, no hint of this is in any of the transportation "benefits" listed. If indeed, an annual 3-month drawdown should become the CFBC operating procedure, then the transportation "benefits" listed are inflated by at least 25%. If 365 days/year operation becomes the mode, the reservoirs will become choked with aquatic weeds (Rodman Reservoir is already well on its way toward being weed-choked) and the recreation "benefits" plummet. You can't have it both ways even though the present reports attempt just that.

With respect to specific categories of commodities postulated as probably moving via the canal and thus generating "benefits," we are powerless to comment meaningfully because, again the essential information is buried in reports that we have not yet been able to obtain. For example, we do not know what tonnage of phosphate rock originating in Florida was used to calculate the "benefits" from its transportation via the CFBC. We suspect it was substantial because the Kearney Report comments that Florida produced more than 70% of the U.S. production in 1973. The same report comments about a rising rate of production through the year 2035. However, information provided by the U.S. Bureau of Mines to the U.S. Department of the Interior for the Final EIS on phosphate Leasing in the Osceola National Forest, Florida, (1974) stated exactly the opposite, namely, "Florida's phosphate rock mines will not be a significant factor in the supply structure after 2005." Further, Kearney notes rising export demand and adds, "bulk mined products which are produced in close proximity to waterways are highly susceptible to barge transportation." Neither the present phosphate producing areas in

south central Florida nor the potential future producing areas in north Florida are in "close proximity" to the CFBC, therefore the rock must first be loaded onto an alternate mode of transportation; such as rail. The economics of trans-shipment are such that it is extremely unlikely the CFBC would ever be a significant factor in Florida phosphate shipment. Obviously, we are restless at being unable to check whether the Corps' "benefit" figures reflect this truth.

With respect to coal and petroleum products, the Kearney Report on Transportation Economics of the CFBC says, "However, an intensive traffic survey with respect to these products did not identify any specific shippers or receivers with plans for shipment which could utilize the CFBC." In spite of this word from their own consultant and despite daily mounting evidence that all of the wells drilled so far attempting to locate Florida offshore oil have been dry holes, and despite substantial evidence that even if oil were found it would not move through the CFBC, nevertheless, the Corps' Status Report contains columns of figures that list \$15,000,000 per year of putative "benefits" from, among other sources of benefits, "benefits from coal for utility plants, newly discovered oil off the Florida coast, residual fuel moves". Mr. Hal Scott and Dr. Peter Pritchard, who are experts on Florida's energy problems, have prepared a report that comments more extensively on the preposterous nature of such claims.

Up to this point, this report has dealt exclusively with the benefit side of the benefit/cost ratio on the CFBC. This is true, because, incomplete as our access to the documents germane to benefits has been, it is much more complete than information on costs. In fact, the only cost information we have is the very sketchy presentation in the Corps' Status Report plus the Corps' own data on construction cost. These construction cost data were received by us just one week ago today despite almost weekly requests for them since mid-April when a digest of the data was released in the Status Report to Judge Johnsen. Because we have not had time to review the



construction cost data adequately, we will, for the moment only, accept it at face value.

The Corps is under Court order to provide a quantification of environmental costs - and Corps officials in private conversations with us have indicated that they intend to comply with Judge Johnsen's order to this effect. In view of these facts, it is alarming to note the glaring omission (from both the Corps' Status Report and the Restudy Report-Economics) of any direct mention of the quantification of environmental costs. In fact, in the Economics Restudy Report (p. 1) the Corps chose to bob-tail in the middle of a sentence their quote of Judge Johnsen's order - thus neatly deleting from the quote any mention of the quantification of environmental costs. The full sentence in Judge Johnsen's order (with the portion deleted by the Corps underlines by us) is, "Among other things, I am unable to see how such an EIS properly could escape having a current cost/benefit evaluation made of the whole project, with this, of course, necessarily including a proper quantification in overall aspects of the various environmental pluses and minuses that are involved."

We further note that the Restudy Report-Economics in its section on economic summary, conclusion and recommendations mentions a number of categories of benefits and costs not yet included - but has no mention of environmental costs. Lest the Corps claim that quantification of environmental (or esthetic) costs is too difficult, let me point out they did mention "secondary impacts and social well-being." Surely, if they can quantify "social well-being," they can quantify environmental costs. If it is intended to be listed under "secondary impacts," we believe the public will regard this as unacceptable.

We would point out that it has been the public's realization of the environmental costs that has brought the project to a halt. It has been the public's realization that the Oklawaha River would be destroyed and that the Floridan Aquifer would be threatened that caused the Cabinet of the State of Florida in 1972, to "rescind its previous policy supporting completion of the CFBC through the Oklawaha River Valley."

Let us examine some of the environmental costs of the CFBC and see how they might be quantified.

One easily identifiable potential environmental cost of the CFBC concerns its possible effect on the Floridan Aquifer. This Aquifer provides the justly famous pure water for nearby springs such as Silver Springs, which are of significant--and~~quantifiable~~--commercial and recreational value. Far more important, the aquifer provides the clean water we must drink. Yet the COE started digging a great trench (the CFBC) through this Aquifer without even studying the hydrology, much less attempting to quantify the risks involved! (In connection with the Court-ordered Environmental Impact Study (EIS), the COE is now having these studies made.) In the short segment now completed through the Aquifer at the western terminus of the CFBC the potential for hazard has become a reality. Valuable fresh water, which formerly kept sea water from moving inland, has been bled into the Gulf of Mexico and lost. Accordingly, the fresh water supply was diminished and salt water has moved inland (a phenomenon called salt water intrusion) in the Yankeetown, Florida area. As a result, the Yankeetown municipal wells have had to be moved (a cost which has been ignored by the Corps). Further, the normal water flow pattern of the lower Withlacoochee River has been disrupted, with damaging results. Costly attempts by the Corps to correct this situation have been inadequate, so uncompensated damages continue to accrue to the citizens of the region.

Fortunately, a Court injunction and Presidential order stopped construction of the CFBC before it reached the higher, thicker parts of the Floridan Aquifer, and substituted for its pure waters, water of canal impoundments choked with weeds and algae, subject to increased siltation, and continually threatened with pollution from barge operations. So the environmental costs might also include an amount equivalent to that needed to build and operate a water treatment plant adequate to purify the water passing through the canal and its impoundments.



When we consider the destruction of the Oklawaha River, we are faced with the loss of an irreplaceable treasure, a unique biological system, a wild semi-tropical river of great beauty and inhabited by a rich and exciting fauna. For thousands of years the Oklawaha River meandered back and forth for 60 miles through a valley 45 miles long and about 1 mile wide, studded with beautiful, jewel-like springs. The river flowed through an unbroken river-bottom forest of deciduous hardwoods such as ash, tupelo, hickory, and maple--a forest adapted to periodic flooding as the river level fluctuated with seasonal rains. How can one determine the value of an unspoiled river? Basically, we must determine the cost of replacing those services which the wild, free-flowing river provides for mankind without cost.

One of these services is flood control. The undamaged, forested river flood-plain accommodates floodwaters when they occur and lets them flow gradually back into the river as the level goes down, smoothing out the highs and lows for more populated areas downstream. The COE would prefer to destroy the floodplain forest, fill the floodplain with reservoir waters, and then build dikes and levees, dams and floodgates to control the floodwaters which have nowhere else to go. All the cost of building and maintaining these structures should of course be entered as one category of the environmental costs of the project. But the COE instead lists "flood control" as a benefit, not a cost.

Also included in the environmental costs is the loss of prime wildlife habitat. The Oklawaha River Valley is the richest wildlife habitat in the Ocala Forest region. It is one of the last refuges for scarce species such as the Florida panther, the black bear, and the wild turkey which require large continuous tracts of undisturbed forest. Some species are found in this area

only in the riverine forest, and if it is destroyed they too will be gone. For other, more wide ranging species such as the grey fox, the raccoon, the bobcat, and the whitetail deer, the Oklawaha Valley is an important seasonal refuge and food source, and a corridor of movement. The river and its banks are a home for aquatic animals such as the limpkin, the otter, and the alligator. These animals are primarily river edge species that stay close to cover. They have little use for the large expanse of flat water in reservoirs. Although canal builders like to tell us that there will be more aquatic habitat created in the Oklawaha Valley, there will be even less shoreline with the reservoir than there was with the original meandering river. Therefore, there will be less habitat for the desirable species native to this area. Destruction of the riverine forest would effectively gut the entire ecosystem as a prime wildlife habitat.

Wildlife has an important, quantifiable value to hunters, and, especially in the case of scarce species, even more value to those who would prefer to watch and learn and appreciate rather than to kill. The heroic and costly attempts to save the whooping crane suggest the value our society places on just one endangered species. The loss of the forest wildlife of the Oklawaha River valley has never rated 1¢ in the cost computations of the COE up to now.

Finally, some way must be found to assign a dollar value to the esthetic experience which a wild river can provide each year to hundreds of thousands of people starved for a glimpse of our fast vanishing natural landscape. Value increases with scarcity--we already have over 200,000 acres of flat water lakes within 30 miles of Rodman Reservoir alone, but our supply of wild rivers is very small and dwindling fast. The State of Florida officially stated, February 20, 1973;



"Considering:

- (1) That reservoirs often represent drastic modifications to natural systems and may result in certain undesirable ecological changes; and
- (2) That Florida is blessed with a vast number of natural lakes, we see no need for an acceleration of new, long-term open water, reservoir programs in this State."*

Admittedly quantifying an esthetic experience in terms of money is difficult, but an attempt must be made. Perhaps the value of a wild river can be to some degree appreciated by considering the popularity of--and money paid for--boat rides such as the Silver Springs "jungle cruise" which covers only a small section of one tributary of the Oklawaha. Or consider the amount spent to build--and the amount spent each year in admissions to see--a completely artificial river with mechanical animals in Disneyland. Or consider the amount paid each year by our citizens to maintain and to visit our National Parks. Consider the amounts donated to support the organizations fighting to save the few remnants of our natural heritage--the Wilderness Society, the Audubon Society, the Isaac Walton League, the Sierra Club, the Environmental Defense Fund, and the National Wildlife Federation, not to mention local and state groups like FDE. And consider the millions of dollars worth of free services donated to these groups by citizens in every category from secretaries to scientists. Obviously many of our citizens attach great value to natural treasures such as the Oklawaha River. The COE cannot be allowed to assign such treasures a value of \$0.00.

Although we know it plans to do so, the Corps has not yet attempted the admittedly difficult task of assessing quantitatively the environmental costs

*Proposed comments (revised) on the review draft of proposed report of the National Water Commission of November, 1972.

Passed by Florida Cabinet - February 20, 1973.

of the CFBC. We offer our assistance in this difficult task that lies before the Corps. They have a challenge, and an opportunity....to be the first really to come to grips with the environmental costs of a public works project.

In the meantime, it should be repeated over and over again that the cost figures so far released for the CFBC do not contain one cent for environmental costs and thus represent far less than the minimum total project cost. Couple this with our contention that the benefits generally and specifically have been very substantially exaggerated and you have the basis for our belief that: ALTHOUGH THE FIGURES RELEASED BY THE CORPS OF ENGINEERS TO DATE IN THEIR CURRENT RE-EVALUATION OF THE CROSS-FLORIDA BARGE CANAL, TAKEN AT THEIR FACE VALUE, PAINT A DISMAL ECONOMIC PICTURE, IN REALITY WHEN THE FIGURES ARE EXAMINED MORE CAREFULLY THEY SHOW THE CFBC TO HAVE AN EVEN WORSE BENEFIT/COST EVALUATION THAN RECENTLY REPORTED.

IN SUMMARY, THE PICTURE EMERGING IS THAT THE CROSS-FLORIDA BARGE CANAL IS AN ECONOMIC DISASTER. WHAT REMAINS TO BE DONE IS MERELY TO DEFINE THE DIMENSIONS OF THE DISASTER.



Florida canal stalled again

By John Dillin
Staff correspondent of
The Christian Science
Monitor

Christian Science Monitor
August 1, 1975

