

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 912 (Delegate Walkup, *et al.*)

Environmental Matters

Environment - Dredge Spoil - Beneficial Use

This bill provides that the Maryland Department of the Environment shall approve the use of dredge spoil only for a "beneficial use." Beneficial use includes recycling, fish and wildlife habitat development, restoration of existing shoreline, human recreation, and industrial and commercial uses.

Fiscal Summary

State Effect: Indeterminate increase in State expenditures.

Local Effect: None.

Small Business Effect: Potential meaningful.

Fiscal Analysis

Background: The Hart-Miller-Pleasure Island Dredged Material Containment Facility, located off the coast of Baltimore County, is used for the redeposit of dredge spoil from dredging operations in Baltimore Harbor.

The facility is divided into a north cell and a south cell. The south cell has been filled to its maximum planned height of 28 feet and plans are now being implemented to turn it into a park and recreation site. On June 5, 1996, the Board of Public Works modified the license for filling the north cell to authorize the Port Administration to fill it to a maximum of 44 feet. The license also provided that the north cell shall not be filled higher than this height and filling may not continue beyond the year 2009 "without authorization by the Maryland General Assembly and Board of Public Works."

Plans for developing the island into a park and recreation facility have been in the works for the past few years. A memorandum of understanding already exists. Currently, the plan calls for the Department of Natural Resources to operate the facility as a park and recreation facility when it is completed.

Chapters 573 and 574 of 1997 codified the status quo in the south cell and the limits recently placed on the north cell by the Board of Public Works. The Acts prohibited the height of dredged material deposited in the Hart-Miller-Pleasure Island Dredged Material Containment Facility from reaching 44 feet above mean low water in the north cell and 28 feet above mean low water in the south cell, as well as the deposit of any dredge spoil on or after January 1, 2010.

State Effect: The bill could result in a delay in implementing the Upper Bay placement option of the Governor's Strategic Plan for Dredged Material Management because it would eliminate the option of dumping some dredged material in open water.

Currently, material dredged from the Upper Bay and Baltimore Harbor is placed at Hart-Miller Island. Another containment facility is under construction on Poplar Island and is expected to be operational by the fall of 1999. Both of these facilities meet the beneficial criteria of the State's Strategic Plan as well as the criteria set forth in the bill.

In order to get the maximum use and life expectancy out of both the Hart-Miller Island and Poplar Island facilities, the Maryland Port Administration advises that another facility is needed as the amount of material that needs to be dredged exceeds the planned dredging and redeposit schedule. The bill, however, could limit the use of future sites that are currently under consideration. One such site under consideration by both the Port Administration and the U.S. Army Corps of Engineers is an open water site known as "site 104."

Site 104 is being considered as a short-term placement option that would hold up to 18 million cubic yards (mcy) of clean dredged material from the Upper Bay. All contaminated material and material from Baltimore Harbor is required to be placed at Hart-Miller Island. According to the Port Administration, another facility able to hold clean material would help extend the life of Hart-Miller Island and also allow for a reasonable inflow schedule at Poplar Island when it becomes operational.

If site 104 is ruled out as a placement option as a result of not being a beneficial use, the Port Administration could have to locate another site for the placement of dredged material, which would increase costs by an indeterminate amount. The Port Administration advises that based on current data, site evaluations could cost at least \$250,000 per site assessment. In

addition, transportation costs for dredged material is estimated as follows: \$.10 per mile x the number of miles from the channels x the holding capacity of the facility. As a result, the farther a future site is from the Upper Bay channels, the higher the transportation costs.

Small Business Effect: If dredged material containment sites are not found within the next ten years, dredging in the bay could be limited as there will be fewer sites on which to redeposit the spoil. This could result in the loss of cargo ships that can enter Baltimore Harbor. To the extent that this happens, any small business relying on the port for economic activity will be impacted.

Information Source(s): Maryland Department of the Environment, Maryland Department of Transportation (Port Administration), Department of Legislative Services

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