DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ENGINEERS
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WASHINGTON, DC 20310-2600

DAEN 23-Jun-2026

SUBJECT: Gulfport Harbor, Gulfport, Mississippi, Deep Draft Navigation

THE SECRETARY OF THE ARMY

1. I submit for transmission to Congress my report on deep draft navigation recommendations for the Gulfport Harbor, Gulfport, Mississippi. It is accompanied by the report of the Mobile District and South Atlantic Division Engineers. The study was conducted under the authority of Section 216 of the Rivers and Harbors Act of 1970 (33 U.S.C. § 549a). Section 216 authorizes the Secretary of the Army, acting through the Chief of Engineers, to review the operation of projects for which construction has been completed and which were constructed by the U.S. Army Corps of Engineers in the interest of navigation, flood control, water supply, and related purposes when found advisable due to significantly changed physical or economic conditions, and to recommend to Congress on the advisability of modifying the structures or their operations and for improving the quality of the environment in the overall public interest. The existing navigation project was authorized by the Rivers and Harbors Act of 1899 (Public Law 55-425, 30 Stat.1127), as amended. Preconstruction engineering and design activities will continue under current authorities.

2. The reporting officers recommend authorizing a plan for navigation improvements to increase transportation efficiencies in the Gulfport Harbor Federal Navigation Channel. The Recommended Plan (RP) is the National Economic Development plan. The RP includes the following features:

a. Deepen the Outer Harbor (9+20 to 50+75) to an authorized depth of -46 feet Mean Lower Low Water (MLLW).

b. Deepen the Sound and Bar Channels to -46 and -48 feet MLLW, respectively.

c. Widen the Sound and Bar Channels by 50 feet to 350 feet and 100 feet to 500 feet, respectively.

d. Bend 1 is located between Stations 445+40 to 470+00. From Station 415+35 to Station 445+40 (Bend's North PI), widen the Sound Channel from 350 feet to 400 feet, adding 50 feet to the east side of the bend. From Station 470+00 (Bend's South PI) to Station 500+60, reduce the Sound channel from 400 feet to 350 feet.

e. Extend the Bar Channel from 1,000 feet to 2,018 feet (stations 591+82 to 612+00).

f. Add a sedimentation basin between Stations 625+00 to 665+00 that extends 200 feet along the east side of the channel at the authorized depth (-48 feet MLLW) and slopes upward to the seafloor at 1V:7H

g. Modify the existing second bend (Bend 3) in the Bar Channel to decrease the deflection angle (new stations will be 1022+85 to 1051+81) and add an additional bend at Stations 1167+00 to 1226+64. Both bends deflection angles are approximately 25 to 30 degrees.

3. The Mississippi State Port Authority at Gulfport is the non-federal cost sharing sponsor for all features of the project. Based on October 2025 price levels, the estimated project first cost is $548,216,000 which includes the value of lands, easements, rights-of-way, and relocations (LERR), including the real property interests required for dredged material placement facilities. Total LERR costs are estimated to be $64,000. The current project plan requires real estate administrative expenses associated with an abandoned pipeline. Dredged material placement is planned for the Pascagoula Ocean Dredged Material Disposal Site.

a. The federal share of the project first cost for initial construction is estimated at $411,114,000 and the non-federal share is estimated at $137,102,000 in accordance with the provision of Section 101(a) of WRDA 1986, as amended (33 U.S.C. § 2211(a)). These estimates include removal of an abandoned pipeline beneath the navigation channel, which may ultimately be the responsibility of the pipeline owner.

b. The non-federal sponsor (NFS) shall pay an additional 10 percent of construction costs for General Navigation Features (GNF) of the project, estimated at $50,800,000, less any credit for the value of LERR required for the project, over a period not to exceed 30 years, in accordance with Section 101(a)(2) of WRDA 1986, as amended (33 U.S.C. § 2211(a)(2)).

c. The annual cost of operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) for the RP is a federal cost and is estimated to be $17,000,000. OMRR&R activities include maintenance dredging of the sediments anticipated to shoal in the channel as a result of the RP.

d. Estimated associated costs include $3,100,000 in federal costs for aids to navigation, which are a U.S. Coast Guard expense, and $2,640,000 in non-federal costs for development of local service facilities. Associated costs are not included as part of the total project first cost for authorization.

4. Based on the fiscal year (FY) 2026 3.25 percent discount rate and a 50-year period of analysis, the equivalent average annual benefits are estimated at $43,200,000 and

equivalent average annual costs are estimated at $41,200,000, with equivalent average annual net benefits of $2,050,000 and a benefit-to-cost ratio (BCR) of 1.05 to 1.

5. The RP aligns with the administration's priorities to modernize transportation infrastructure at the Nation's ports.

6. All compliance with required applicable environmental laws and regulations has been completed. To satisfy the requirements under Section 106 of the National Historic Preservations Act (33 U.S.C. § 306108), the U.S. Army Corps of Engineers (USACE) has executed a Programmatic Agreement (PA) with the Mississippi State Historic Preservation Officer at the Mississippi Department of Archives and History, the State Historic Preservation Office pursuant to 36 C.F.R. § 800.14(b)(1)(ii). The PA allowed the Final Integrated Feasibility Report/EA to be completed while stipulating the Phase I Archaeological Investigations requirements during PED phase when funding can be obtained for this effort. A water quality certification pursuant to section 401 of the Clean Water Act of 1972, as amended, will be obtained from the Mississippi Department of Environmental Quality prior to the start of construction.

7. In accordance with USACE policy on the review of decision documents, all technical, engineering, and scientific work underwent an open, dynamic, and rigorous review process. The comprehensive review process included District Quality Control Review, Agency Technical Review, and Headquarters Policy and Legal Compliance review to confirm the planning analyses, alternative design and safety, and the quality of decisions. Washington-level review indicates that the plan recommended by the reporting officers complies with all essential elements of the U.S. Water Resources Council's Economic and Environmental Principles, Requirements, and Guidelines for Water and Land Related Resources Implementation Studies, as well as other administrative and legislative policies and guidelines. The views of interested parties, including federal, state, and local agencies, were considered and all comments from public reviews have been addressed and incorporated into the final report documents where appropriate.

8. USACE decision documents recognize cost risk and uncertainty surrounding implementation. All cost estimates will carry a degree of uncertainty. The estimated total project first cost for the RP at the 80% confidence interval is estimated at $548,216,000. This project carries a degree of uncertainty such that if the main drivers described below are realized, the first cost for the RP could increase to approximately $631,670,000. The RP has various construction and non-construction components. The overall RP is at 35 percent design. Based on the recommended project design of the construction components and scope definition of the non-construction components, the total project cost is designated as a Class 3 estimate. The total project first cost includes a contingency value of $150,909,000, which is approximately 38 percent of the estimated base project cost of $397,277,000. The cost contingencies are intended to cover cost, and schedule increases due to the identified project risks and their probability of occurrence. Changes to assumptions or the basis of design can result in

additional risks not currently identified. For the RP project first costs, the currently known major uncertainty drivers are the following: 1) resolution of potential conflict of an abandoned pipeline; 2) variation in major material costs and bid assumptions; 3) ability of the NFS to provide their share of funds and obtain all required real estate interests in a timely fashion as reflected in the project schedule; and 4) any changes to assumptions on productivity, construction sequencing due to funding allocations and future market conditions can affect overall project cost. As the project moves into the next phases, USACE will focus risk management and mitigation on the primary cost and other significant risk drivers to the extent within USACE control. However, there still exists the potential for other unanticipated and uncontrollable changes in environmental, hydrometerological, or economic conditions that could further increase the total project first cost beyond the current estimate and/or necessitate changes in the project's design.

9. In full consideration of the risks as documented in the preceding paragraphs in this report, I concur with the findings, conclusions, and recommendation of the reporting officers. Accordingly, I recommend that the Gulfport Harbor, Gulfport, Mississippi be authorized in accordance with the reporting officers' RP at an estimated cost of $548,000,000 with such modifications as in the discretion of the Chief of Engineers may be advisable. Federal implementation of the project for deep draft navigation includes, but is not limited to, the following items of local cooperation to be undertaken by the NFS in accordance with applicable federal laws, regulations, and policies:

a. Provide the non-federal share of construction costs, as further specified below:

1) Provide, during design, 25 percent of the costs of design for the GNF of the project in accordance with the terms of the design agreement for the project;

2) Provide, during construction, 25 percent of the costs of the general navigation facilities allocated to that portion of the project with a channel depth in excess of 20 feet but not in excess of 55 feet;

b. Provide all lands, easements, and rights-of-way, including those required for relocations and dredged material placement facilities, acquire or compel the removal of obstructions, and perform or ensure the performance of all relocations, including utility relocations, as determined by the federal government to be necessary for the construction, operation, and maintenance of the GNF;

c. For each relocation of a utility, or portion thereof, located in or under navigable waters of the United States that is required to accommodate a channel depth over 45 feet, pay to the owner of the utility at least one half of the owner's relocation costs, unless the owner voluntarily agrees to waive all or a portion of the non-federal sponsor's contribution;

d. Pay, with interest over a period not to exceed 30 years following completion of construction of the GNF, an additional amount equal to 10 percent of the construction costs of the GNF less the amount of credit afforded by the federal government for the value of the real property interests and relocations, including utility relocations, provided by the NFS for the GNF, except for the value of the real property interests and relocations provided for mitigation, which is included in the construction costs of the GNF;

e. Ensure that the local service facilities are constructed, operated, and maintained at no cost to the federal government, and that all applicable licenses and permits necessary for construction, operation, and maintenance of such work are obtained;

f. Give the federal government a right to enter, at reasonable times and in a reasonable manner, upon the real property interests that the NFS owns or controls for the purpose of operating and maintaining the project;

g. Hold and save the federal government free from all damages arising from design, construction, operation and maintenance of the project, except for damages due to the fault or negligence of the federal government or its contractors;

h. Perform, or ensure performance of, any investigations for hazardous, toxic, and radioactive wastes (HTRW) that are determined necessary to identify the existence and extent of any HTRW regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. 9601-9675, and any other applicable law, that may exist in, on, or under real property interests that the federal government determines to be necessary for construction, operation and maintenance of the GNF;

i. Agree, as between the federal government and the NFS, to be solely responsible for the performance and costs of cleanup and response of any HTRW regulated under applicable law that are located in, on, or under real property interests required for construction, operation, and maintenance of the project, including the costs of any studies and investigations necessary to determine an appropriate response to the contamination, without reimbursement or credit by the federal government;

j. Perform the non-federal sponsor's responsibilities in a manner that will not cause HTRW liability to arise under applicable law to the maximum extent practicable; and

k. Comply with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended, (42 U.S.C. 4630 and 4655) and the Uniform Regulations contained in 49 C.F.R Part 24, in acquiring real property interests necessary for construction, operation, and maintenance of the project including those necessary for relocations, and placement area improvements; and inform all affected persons of applicable benefits, policies, and procedures in connection with said act.

11. The recommendation contained herein reflects the information available at this time and current departmental policies governing formulation of individual projects. It does not reflect program and budgeting priorities inherent in the formulation of a national civil works construction program or the perspective of higher review levels within the Executive Branch. Consequently, the recommendation may be modified before it is transmitted to Congress as a proposal for authorization and implementation funding. However, prior to transmittal to Congress, the NFS, interested federal agencies, and other parties will be advised of any significant modifications and will be afforded an opportunity to comment further.

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Lieutenant General, USA
Chief of Engineers