

Coke Point Risk Assessment Frequently Asked Questions (FAQs) for the Maryland Port Administration

1. Why did the MPA commission this Risk Assessment?

The MPA is interested in acquiring the Coke Point peninsula on Sparrows Point as a potential site for a Dredged Material Containment Facility (DMCF) for the placement of sediment dredged from the channels in Baltimore Harbor. The MPA commissioned this Risk Assessment as part of its Due Diligence in evaluating the feasibility of this site for a DMCF. Identifying existing contamination in order to assess cleanup requirements and costs are an essential component of determining the feasibility of Coke Point as a DMCF.

2. Why does the Port need to be dredged?

In the Harbor area, the Port of Baltimore requires about 1.5 million cubic yards (mcy) of maintenance dredging each year. About 1mcy of this dredging is Maintenance, necessary to keep the shipping channels open and at their fully authorized depth and width. Keeping the shipping channels open is essential to the approximately 2000 ships per year which call at the Port.

Additionally, improvements are needed to be made to the shipping channels and/or new channels and berths may be needed to be created. This “new work” dredging averages about 500,000 cubic yards per year and is also essential to the economic health of the Port of Baltimore.

3. How did the MPA pick the Coke Point site for a Dredged Material Containment Facility (DMCF)?

The development of Coke Point site as a DMCF was recommended to the MPA in October 2003 by the Harbor Team. The Harbor Team was created to advise the MPA on placement options for the Baltimore Harbor as part of the State’s Dredged Material Management Program. Members of the Harbor Team represent a broad spectrum of community, business, local government and environmental interests from around the harbor. The Harbor Team is staffed by MPA and consultants.

-MORE-

4. How many years of capacity for dredging would the Coke Point site provide?

The capacity provided by a DMCF at Coke Point will be dependent on the final configuration and design selected. As the MPA is still undertaking various efforts related to the feasibility of this site, the ultimate capacity is not yet known. The years of capacity will also depend on the availability of other DMCFs (Cox Creek and Masonville) and the annual rate of use. The MPA would like a site which provides 20 or more years of capacity.

5. Does the MPA own the Coke Point site?

No, the Coke Point site is presently owned by RG Steel, Inc. The State would need to acquire the site in order to use it as a DMCF.

6. How is business at the Port these days?

Business is very strong at the Port these days. In 2010, the Port's tonnage is back up to 2008 levels, after weathering the economic downturn of 2009. In 2010, the Port handled 33 million tons of cargo, a 47% increase over 2009 volumes and equal to 2008 volumes. The 2010 activity includes 24 million tons of bulk commodities and 9 million tons of general cargo. Overall, the Port ranks #15 in the nation for cargo tonnage and # 12 in the national for the total dollar value of cargo handled.

Activities at the Port generate about 16,700 direct jobs, \$3.7 billion in personal wages and salary, and nearly \$400 million in state and local taxes.

7. What is the estimated cost of a DMCF at Coke Point?

As the MPA is still in the feasibility study, the cost of a DMCF at Coke Point is not yet known.

8. Is the funding in place to proceed with the Coke Point DMCF?

No, complete funding for a Coke Point DMCF is not yet in place. The MPA has sufficient funding to start the project.

-MORE-

9. What needs to take place in order for the MPA to implement its plan? (Steps and time frames, decision points, approvals)

In order to meet the Harbor's 1.5 mcy average annual need to dredge, a third option is needed on an expedited basis. Until a third option is available, MPA will not accept dredged material at its Cox Creek or Masonville sites unless it is cargo related maintenance dredging, placing a restriction on Baltimore Harbor's private sector which could negatively affect their ability to modify their channels as needed to accept larger ships. The following schedule would be difficult to meet but is possible, and it would minimize the length of time the restriction would be in effect:

- Finish ongoing feasibility studies by late fall 2011
- Initiate design, permitting process by August, 2011, finish by April 2014.
- Initiate property negotiations in May, 2011, acquire property by September, 2013
- Initiate upland remediation April 2014, finish by August 2016
- Initiate discharge permit process in January, 2014, acquire permit by November 2016
- Initiate phase 1 upland dike construction by January, 2015, complete by November 2016. Phase 1 containment site is now operational
- Initiate phase 2 offshore dikes April 2016, complete by April 2019. Coke Point DMCF is now fully operational.

10. What will happen to this site long-term, i.e. after dredge material placement stops?

The most likely closure plan is to create a marine terminal on this site.