Congress of the United States Washington, DC 20515

December 20, 2016

OMB Director-Designate Mick Mulvaney Transition Team Headquarters – Trump Tower 725 5th Ave New York, NY 10022

Dear Director-designate Mulvaney,

This year has proven to be one in which the American people have selected change and the need to rebuild the strong foundation of our country. President-Elect Trump publicly stated his desire to implement a wide-ranging infrastructure plan to bring us in to the 21st Century and to level the playing field against our competitors around the globe. We remain fully supportive of this effort to improve and modernize our nation's infrastructure, specifically as it relates to the Savannah Harbor Expansion Project.

The Port of Savannah deepening project is the most exhaustively studied project in the history of the U.S. Army Corps of Engineers and is an undertaking that will increase the ability of importers and exporters in the United States to quickly and cost effectively get their products to market. For years now, deep-draft navigation projects have come up as not only an opportunity, but a necessity to keep the United States competitive with foreign markets around the world. As environmental mitigation efforts and other projects grew in scope, deep-draft navigation projects were forced to compete for a dwindling amount of federal resources.

President-Elect Trump has made it clear that he recognizes the value in a robust infrastructure network to keep America competitive. With over 95% of the world's consumers lying outside of the borders of the United States, we must remain steadfast in our commitment to creating new opportunities and building upon existing ones. The Savannah Harbor Expansion Project, or SHEP, has now been authorized by Congress twice with some form of federal funding for studies or construction for 17 consecutive years. The State of Georgia, in a public-private partnership, has already raised and contributed most of their share of the project, over \$200 million. The Corps of Engineers estimates that SHEP will deliver at least \$174 million in net annual economic benefits upon completion and would boast one of the highest cost-to-benefit ratios of any port in the country.

While we are early in the stages of construction, those expected benefits can't fully be realized until the project is completed. When the Corps of Engineers first released their proposed schedule, they estimated an annual federal commitment of nearly \$100 M to efficiently keep the project on track for both time and fiscal estimates. With the most recent budget request of \$42.7 million in the FY17 President's Budget Request, the federal share is far short of the anticipated funding needed for completion of the project within the next 5 years. Should the federal share continue its pace of gross

underfunding, the project could be delayed by more than 5 years with the federal government's share increasing by hundreds of millions of dollars. In essence, the more the federal government holds back in providing their share of the funding, the more it will cost the federal government in the long run.

We understand the difficult decisions that must be made with regards to this and the myriad of other projects under the U.S. Army Corps of Engineers, but we also want to ensure that your Administration is well aware of the significance of the project to a large swath of the country. While the West Coast ports were mired in labor negotiations, East Coast ports such as Savannah experienced record growth due to good relations with workers, proper planning, and well-executed operations. As other ports struggled with movement, the Port of Savannah excelled and displayed their capacity for growth.

Recent comments have indicated that the Trump Administration will be committed to revitalizing our nation's infrastructure in an effort to make American great again. We whole-heartedly support these efforts as we work to get the Ports of Savannah and Brunswick deepened and ready for increased business. As economic engines for Georgia, and much of the Southeastern United States, the Ports of Savannah and Brunswick will play key roles in revitalizing our economy. In your time in Congress, you have been a stalwart defender of fiscal responsibility, and we know that you will carry that forward under President-Elect Trump. Other major port operations around the country will benefit greatly from an increased focus on water infrastructure projects.

We continue to be extremely grateful for the work of the U.S. Army Corps of Engineers and understand the limitations on their resources and funding opportunities. For that reason, we urge the incoming administration to appropriately address funding level concerns in an effort to fully reflect President-Elect Trump's commitment to modernizing our nation's infrastructure. Ports have and will continue to be the conduit for growth for the American economy as rising markets around the world will dictate new opportunities.

We believe it is essential to not only fully fund deep-draft navigation projects around the country, but to do so with a timeline that reflects the urgency of global competitiveness. We applaud President-Elect Trump on his victory, congratulate you on your nomination, and look forward to working with you and the next administration in 2017.

Sincerely,

Johnny Jeakson United States Senator David Perdue United States Senator

Earl L. "Buddy" Carter Member of Congress