

RE: Proposed Dredging of the St. Johns River

6/25/2017

First of all, I want to commend each of the Board members for your service to our community. Our port is an important part of this economy, and with your guidance and leadership can continue to be an important source of jobs and tax revenue for Jacksonville and the surrounding region well into the future.

However, I ask that you reconsider your decision to move forward at this time with the deepening of the St. Johns River channel, until we have had a transparent public conversation about the new plan and proper mitigation is in place. With a price tag of nearly \$500 million, this project will place a significant financial burden on the citizens of Jacksonville, in addition to the impact it will have on the health of our river. As a result, we cannot afford to solely rely on the judgement of this Board to ensure that we have identified and thoroughly evaluated all of the pros and cons associated with the proposed project before proceeding.

While serving as a member of Mayor Alvin Brown's Port Task Force, we relied almost exclusively on the economic projections of the port's consultants to determine the potential benefits that may result from a deeper channel. I voted to support the proposed dredging based on the economic information that was presented and the presumption that appropriate mitigation would be provided. In fact, the support of the Task Force was contingent upon \$50 million in mitigation - \$25 million for the restoration of the Ocklawaha River and \$25 million for restoration projects in the Jacksonville area.

Since that time, a new detailed analysis by Dale Lewis, a local logistics analyst, has called into question the economic viability of the deepening and the wisdom of such a massive public investment. In addition, virtually no mitigation is being provided that would truly offset the impacts to our St. Johns River.

I encourage each of you to meet with Dale to better understand his sincere motivations and his thorough analysis. As someone who worked for me at CSX and was critical to the strategic capital investment decisions of a Fortune 500 company, I can assure you that Dale's analysis cannot and should not be dismissed.

As a result, we need to pause and conduct a careful, detailed review of the risks to avoid jeopardizing the productivity of our port and the health of our river. We know that this project will require a significant investment of local and state tax dollars and will adversely impact our river, but the benefits side of the equation is much more uncertain. It is clear that an honest and robust community dialogue regarding the likely economic benefits, costs, and environmental impacts of the dredging proposal must take place before moving forward.

We all want a strong economy and a successful port. However, we must use our limited tax dollars as wisely, efficiently and strategically as possible to achieve this goal. If dredging the river doesn't meet this test, then we must turn our focus to other options that will help ensure the long-term success of the port. There is simply too much at stake for the St. Johns and the region's taxpayers to get this decision wrong.

Sincerely,

Pete Carpenter
CEO and Vice Chairman, CSX Retired