



INTERNATIONAL LONGSHOREMEN'S ASSOCIATION • AFL-CIO

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Richard P. Hughes, Jr.
President

November 19, 2009

Governor Jack Markell
State of Delaware
Tatnall Building
William Penn Street, 2nd Floor
Dover, DE 19901

Re: Dredging in the Delaware River

Dear Governor Markell:

On Friday October 30, 2009, the State of Delaware Department of Natural Resources & Environmental Control ("DNREC") filed a complaint seeking a preliminary injunction and declaratory judgment against the United States Army Corps of Engineers ("USACOE" or "the Corps") in connection with the Corps' plan to dredge the main channel of the Delaware River. I write today urging you to reconsider your position on the Corps' plans to dredge and deepen the main channel of the Delaware River and Bay.

The International Longshoremen's Association, AFL-CIO ("ILA") is the collective bargaining representative of longshore workers in ports from Maine to Texas, in Puerto Rico and on the Great Lakes. The Port of Wilmington, due to its central location, is a major gateway for shipping. The Port of Wilmington's two largest current customers are Dole and Chiquita, both major companies requiring extensive waterborne shipping to distribute their products along the eastern seaboard. Dole and Chiquita's presence has greatly benefited the local economy not only by bringing products for sale, but more importantly by providing work opportunities for Delaware residents. This said, dredging the main channel to a depth of 45 feet will only help to create more opportunities for industry in Wilmington, and consequently will boost the local economy.

Should Judge Robinson rule in DNREC's favor and grant their request for preliminary injunction and declaratory judgment, the repercussions would have a far-reaching and calamitous effect on longshore workers ranging from New Jersey to Delaware. The local longshore industry, once a booming trade, has been hampered in recent years by increased reliance on technology and the precarious state of the national economy. The continued blocking

of USACOE's efforts to dredge and deepen the main channel of the Delaware River will ensure that fewer ships will enter and leave the piers lining the river, limiting work opportunities for thousands of ILA members and consequently further depressing the state of the local economies.

Although the ILA understands DNREC's position, the dredging project would bring numerous benefits to Delaware, including:

- Injecting in excess of \$500 million per year into the local and regional economy;
- Creating 6,000 direct and indirect jobs, with 44% of those jobs going to residents of New Castle County and 36% going to residents of Wilmington;
- Increasing total business revenues to greater than \$212 million; and
- Generating over \$22 million annually in state and local taxes.

These benefits will increase as the economy rebounds. Prior to the economic downturn, container volumes were projected to double by the year 2025. Once the economy recovers, container volumes will increase, providing a strong base for economic improvement for the individuals and municipalities involved. Furthermore, due to changes in trade routes between Asia and the East Coast of the United States, along with the expansion of the Panama Canal and the capacity constraints faced by other East Coast ports, the Port of Wilmington can anticipate being utilized as a global gateway.

The Corps is taking significant steps to mitigate the environmental impact of the dredging and deepening of the main channel of the Delaware River. Notably, the amount of spoils to be extracted from the dredging project has been reduced to 16 million cubic yards over a four to five year period. This is equal to the amount of spoils that are currently removed annually by existing maintenance dredging. Moreover, this dredging project would serve to benefit the State of Delaware by replenishing beaches and creating new wetlands.

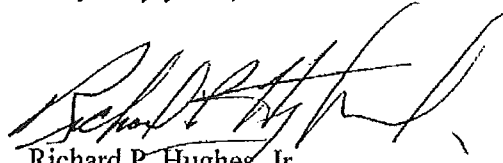
The men and women who work in the Port of Wilmington care greatly about the environment. They also care greatly about their families, specifically ensuring they can provide for them financially. The Port of Wilmington ILA members have made difficult concessions over the years, including those which have reduced manning and wages and frozen pension benefits. The ILA's membership supported these concessions with a goal of reducing costs and growing cargo volumes. Furthermore, the ILA members also gave up other employee benefits, particularly Container Royalty, a concession with a direct impact of keeping Dole and Chiquita as the port's two largest customers.

Any infringement upon the Corps' desired use of the Delaware, Pennsylvania and New Jersey waterfront areas would negatively impact the local economy, waterfront employers

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and their employees. Furthermore, the impact would run deeper through the veins of the tri-state area with families of financially strapped longshore workers suffering because of the limited availability of work. The ILA respectfully urges you to reconsider Delaware's position on the Corps' plan to go forward with the dredging.

Very truly yours,



Richard P. Hughes, Jr.
President

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December 3, 2009

Mr. John Sweeney
Editorial Page Editor
News Journal
P.O. Box 15505
Wilmington, DE 19850

Dear Mr. Sweeney:

The 103 mile Delaware River Channel serves three States, and the deepening project was authorized by Congress in 1992. The Army Corps of Engineers has spent over \$15 million in environmental studies over twenty years. All necessary studies have been approved by federal agencies and the required environmental clearance obtained. The Corps has taken the position that Delaware Subaqueous Land Permit is not a requirement, and as such, is not legally required for the project.

The project will be paid for by Pennsylvania and the Federal Government. The benefits that Delaware will receive, at no cost to the State, are:

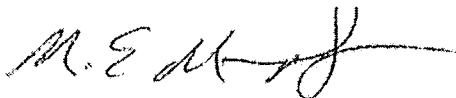
- About 1,800,000 cubic yards of sand placed on Broadkill Beach to protect that community and create habitat for shore birds, turtles and horseshoe crabs (cost: \$33 million).
- About 2,500,000 cubic yards of sand placed for the protection and creation of wetlands at Kelly Island (cost: \$57 million).
- A 60 mile 45 foot draft channel to the Port of Wilmington (cost: \$52 million).

We, the undersigned, agree that without a 45 foot channel, the Port of Wilmington will have trouble competing. Over 70% of container ships need 45 feet.

The Port of Wilmington has access to an adjacent 190 acre disposal area called Wilmington South, which could be privatized and developed into a new and expanded terminal facility. Wilmington would become a major northeastern port. Also, by moving the deep draft ships to alongside the channel and out of the Christina River, the Port's annual cost of maintenance dredging would be lower.

All of the above would MEAN JOBS and an economic boost for our State.

Sincerely,



Mark E Murphy
Chairman.
Murphy Marine Services, Inc



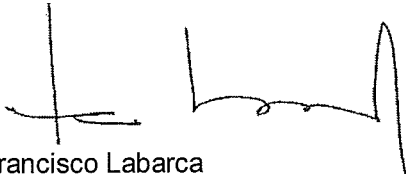
Doug Nicol
Vice President
Citrosuco North America, Inc.



Michael Evanko
President
Port Contractors, Inc.



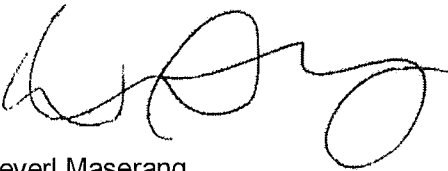
Stuart Jablon
Vice President, Operations
Dole Fresh Fruit Company



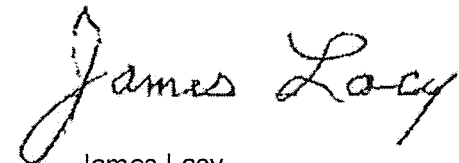
Francisco Labarca
Executive Director
Pacific Seaways, S.A.



Mark Smith
President
ILA Local 1694-1



Deverl Maserang
Vice President
North American Product Supply
Chiquita Brands International



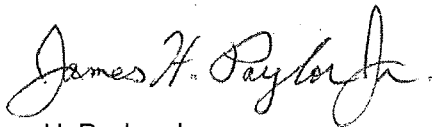
James Lacy
President
ILA Local 1884



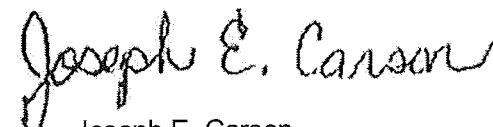
Roy Kirchner
President
AutoPort, Inc/Trans Cargo, LLC



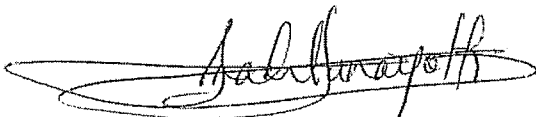
Robert Gladden, Jr.
Atl. Coast District Vice President
International Longshoremen's Assoc



James H. Paylor, Jr.
International Vice President
International Longshoremen's Assoc.



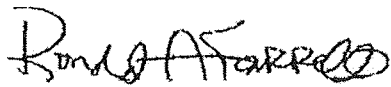
Joseph E. Carson
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Area Supervisor
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Ronald A. Farrell
Trustee Representative
ILA Local 1694



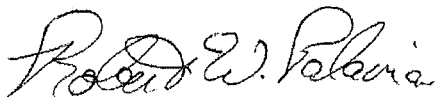
John Vitale
President
Intercontinental Services of DE LLC



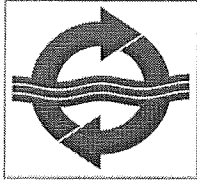
Scott Cornell
Head of Operations
Region Americas
HOEGH AUTOLINERS



Dennis Rochford
President
Maritime Exchange for the DE
River and Bay



Robert W. Palaima
President
Delaware River Stevedores, Inc.



MARITIME EXCHANGE

for the Delaware River and Bay

Leading the Way to Port Progress

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A. Robert Degen, Esq., Secretary, Solicitor
James F. Young, Esq., Assistant Secretary
Dorothy Mather IX, Treasurer

December 4, 2009

The Honorable Beau Biden
Attorney General
State of Delaware
Carvel State Office Building
820 N. French Street
Wilmington, DE 19801

Dear Attorney General Biden:

As our jobless rate continues to soar, and motions are made in Federal Court to stop the Delaware River Channel deepening project, I would ask that you keep in mind the families of port workers in Pennsylvania, New Jersey and Delaware who will be adversely affected should the deepening project fail to move forward as planned.

After years of comprehensive planning and progress in laying the necessary groundwork to create thousands of new high-paying jobs for local residents, as well as maintaining hundreds of current and regional port-related jobs, we are in a fight for our lives. Jobs, and the entire future of the tri-state industrial port on the Delaware River, are in jeopardy.

Just last week, five hundred fifty workers lost their jobs when Valero announced its decision to close the Delaware City, DE refinery. Within the past few weeks, we have lost two of seven refineries on the river. As our economy begins to improve, our ports will play a major role in our recovery and the creation of new economic opportunities for our residents – if we act now to ensure the viability of our ports.

While other ports to the north and south of us are deepening their channels to accommodate larger shipping vessels, we must dredge the Delaware River Channel now to maintain and improve our competitive edge for new refining opportunities – as well as other commercial shipping and trade opportunities.

Time is of the essence and we must not squander this vitally important economic opportunity. We must act now and begin to dredge this critically important channel. The tri-state's entire industrial maritime industry and workforce hangs in the balance. Further delays are a threat to the economic survival of so many local families and communities in all three states.

Recently, major business leaders like Warren Buffet and George Soros invested in the future of key industrial and transportation infrastructure like railroads and ships. Others will take their lead and follow quickly with similar type investments. We sorely need the jobs and investment that these types of infrastructure investments will produce.

We cannot afford to be pushed to the back of the line and let the clock tick while we lose good paying, skilled industrial jobs and the economic opportunities that create good jobs. We must seize this opportunity now and dredge the channel in order to lure new capital investment in private and public sector port development.

Our competitors are moving fast while we here in the tri-state region find ourselves continually stuck in the muck and stagnation of political, bureaucratic, and now legal red tape.

The time to act is now. The time to lead is now. The time to dredge is now. Please stand up for the families and communities who depend on the ports for their economic survival.

Sincerely,


Dennis Rochford
President