

STURGIS Project Update, November 3 2014

We wanted to provide you a brief update on the project. This past week we provided a presentation on the STURGIS project to the Port of Galveston's Wharves Board. The slides provide significant detail, so please don't hesitate to email or call me if you have questions. The link to the Wharves Board meeting is: <http://dljstudios.com/tv-2014WB-october.html>.

The Wharves Board presentation, along with an updated project fact sheet and an executive summary of the Nuclear Regulatory Commission's Environmental Impact Statement on the Decommissioning of Nuclear Facilities, can be found on the left-side under Project Documents. We recently updated the project fact sheet based on feedback.

One of the questions that has been raised pertains to the revenue that the STURGIS Project will bring to Galveston. Our prime contractor, CB&I, plus their subcontractors Energy Solutions and Malin Shipyard, will have an estimated staff of 40-45 people assigned to this project in Galveston. Energy Solutions will be hiring a radiation technician from the local area, with an estimated need of 4-8 staff. Additionally, Malin Shipyard will be hiring up to 10 new employees to include electricians, laborers, mechanics and security personnel. To support our transportation needs, Energy Solutions will utilize the local union with longshoreman who will provide assistance at the transload facility. Further, most of the equipment needed to support this project will be rented and/or acquired from local business. All of the project staff will require long term lodging and will also use the local industry (shops, restaurants, etc.) during their stay. From a tourism perspective, our project team and their families will likely take advantage of the numerous tourist attractions that Galveston has to offer. With all of those factors combined the STURGIS Project will bring an estimated 17.5 million dollars in revenue to the Galveston economy.

As many of you are aware, the Corps of Engineers received a letter from the Galveston City Council, dated Oct. 13, requesting an Environmental Impact Statement to examine the full environmental impacts of the STURGIS project on the City of Galveston and its residents. We thoroughly reviewed the Council's request and sent a response letter, dated Oct. 23.

Our analysis showed we followed the requirements of the National Environmental Policy Act (NEPA). We prepared an Environmental Assessment that accurately concluded there would be no significant impacts to human health or the environment from the proposed decommissioning work. Therefore, it is our position that an EIS is not required. We are committed to continuing to address the council's concerns and to keeping all channels of communication open. We share the council's goal of keeping the community informed about the project and will continue to reassure people that the project will not pose a health hazard. At the Oct. 28 Galveston City Council meeting, we offered to provide a presentation to the council, and they invited us to present a briefing on Nov. 4.

We will keep you updated on the project and welcome your feedback and questions.