h. Constructing mooring areas and dolphins at Port Ingleside, one mooring area and six dolphins to be constructed initially and a second area and seven additional dolphins to be constructed when required to meet the needs of navigation.

EVENTS WHICH HAVE OCCURRED SINCE PREPARATION OF THE DISTRICT ENGINEER'S REPORT

Several significant events have occurred since the District Engineer's report was prepared indicating the rapid and progressive nature of the developments that are occurring along the Port Aransas-Corpus Christi Waterway in the Corpus Christi Bay area. These events outlined below offer further justification for approving the modifications and improvements recommended by the District and Division Engineers, U.S. Corps of Engineers.

National Steel Company of Pittsburgh, Pennsylvania, the fourth largest steel company in the United States has announced that it has taken an option on a 3,500-acre tract which fronts on Corpus Christi Bay and is bounded by navigable waters on three sides. The tract is bounded by the LaQuinta channel on the west, the LaQuinta channel and Main Waterway on the south, and the Gulf Intracoastal Waterway on the east. Representatives of the company have been in contact with Corpus Christi interests for some months discussing the Company's requirements for water, natural gas, power, and port facilities.

Prior to taking this option, the Company's consulting geologist studied the site to determine the feasibility of it for a steel mill. Additional soil borings and tests have been made since taking the option which indicates that the foundation conditions are ideal for the heavy loads imposed by a basic steel plant.

The Steel Company expects to have the first unit of the plant in operation by January of 1972 if it proceeds with its plans. The first unit will produce 1,500,000 tons of steel annually. Most of the raw materials required will be received by water. Production of this quantity of steel will require 830,000 tons of scrap, 1,300,000 tons of iron ore (to come from South America, Africa and Australia) and 420,000 tons of flux, alloys, etc.—or an aggregate of 2,550,000 tons. In addition, it is estimated that about 60 per cent, or 900,000 tons of the finished products will move out by water.

The second unit of the plant, according to the Company's schedule is expected to begin operation in January of 1978. This unit will double the initial output of the plant and require twice the quantity of raw materials.

Plans are projected for two later expansions of the plant which will increase it's production to 6,000,000 tons annually.

The Company expects to use about 2,000 acres of the 3,500-acre tract for its plant. The remaining 1,500 acres will be made available for satellite industries that will produce additional waterborne commerce and traffic for the Corpus Christi Ship Channel.

The Company contemplates that, in addition to the docks on the LaQuinta and Main Channel, the 1¾ miles of the Gulf Intracoastal Waterway which fronts on the site will eventually require enlarging to ship channel dimensions with deep sea docks along it. The Navigation District has been contacted relative to its providing docks for this proposed development. This matter is under discussion with representatives of National Steel Company at this time. (See Exhibits B and C—Newspaper Clippings—in Appendix).

Southern Minerals Corporation will soon complete the construction and place in operation two new plants located about one half mile inland from the head of navigation at the Viola Turning Basin. Products from these plants will move by water using the public facilities of the Navigation District. (See Exhibit D—Newspaper Clippings—in Appendix).

The Navigation District has under construction a new deep sea oil terminal on the Tule Lake Channel which will be completed and placed in operation in November, 1968. The dock is designed to accommodate 67,000 DWT tankers having a draft of about 41 feet.

Other oil docks of the Navigation District constructed in recent years on the Viola and Tule Lake Channels have been designed for a 45 foot depth of water alongside the face of the dock.

The Navigation District has recently completed an enlargement of it's Bulk Materials Dock located on the Tule Lake Channel to accommodate larger vessels. Other expansions of this facility are planned as the needs arise. It is designed to accommodate vessels of 40 foot draft. (See Exhibit E—Newspaper Clipping—in Appendix).