



**STATEMENT OF THE OUACHITA RIVER VALLEY ASSOCIATION
PRESENTED TO THE MISSISSIPPI RIVER COMMISSION
VICKSBURG, MS
AUGUST 11, 2017**

General Wehr and Members of the MRC:

I am Rayford Wilbanks, Executive Director of the Ouachita River Valley Association (ORVA), and I have the privilege of presenting this statement on behalf of our Association.

The Ouachita River Valley Association has been in business for 124 years and has a proud record of past achievements and longevity. We represent the private sector of the economy involved in the development of water and land resources in the Ouachita River Valley. We operate in the States of Arkansas and Louisiana and are governed by a Board of Directors consisting of three officers and seven directors from each state.

General Wehr and Colonel Derosier, our Association appreciates your continued support and that of your staff. We have and intend to maintain close contact with the Corps staff and present a coordinated effort to further develop water and land resources in the Ouachita River Basin.

Our comments today focus primarily on the Fiscal Year 2017 and anticipated Fiscal Year 2018 President's Budget for completed projects, Ouachita-Black Rivers Navigation Project, AR & LA, and on efforts to obtain authorization for project additions.

1. OUACHITA-BLACK RIVERS NAVIGATION PROJECT, RED RIVER TO CAMDEN, AR. ORVA and our shippers appreciate the current 2017 dredging operations underway and expected to be completed by the end of August. Shallow areas from the mouth of the Black River to the Felsenthal Lock & Dam have been or are planned to be dredged. Surveys last fall by the District showed adequate channel depth up to Crossett Harbor. Also, the U.S. Coast Guard completed resetting navigation markers last October. Our good news is commercial navigational traffic is moving again on the upper portion (Arkansas portion) of the project. TETRA Technologies has resumed shipping out of Crossett Harbor. Although the President's Budget for FY 17 for the Ouachita-Black Rivers Navigation Project was only \$8,445,000, short on maintenance dredging funds of \$2 Mil, with the support of our Congressional Delegation, state and local governments, and private interest, \$2 Mil in dredging funds was added to the 2017 budget. This allowed

dredging to address the shallow and narrow channel areas within the waterway. Currently the House and Senate Appropriations Bills provide \$10,548,000 Operations and Maintenance funds for the Ouachita-Black Rivers Navigation Project. This represents a \$2 Mil increase in funding from previous years. This will eliminate the 2017 last-minute fight to ensure proper dredging funds were provided. Although an improvement, ORVA will keep pressing for an annual budget of \$11+ Mil in order to operate, maintain, and conduct dredging operations at an acceptable level. We stressed this point with USACE/Congressional members during our March 2017 Washington, D.C. visit and continue as the FY 18 Budget is being revised. ORVA's goal is to have the channel restored to authorized dimensions up to Camden, AR, the Head of Navigation.

We are also concerned about the \$20+ Mil in backlog maintenance associated with the Navigation Project. In addition to the lack of dredging funds, we remain concerned that presently there are no reasonable means to dewater the lock at H. K. Thatcher Lock and Dam if the miter gates are accidentally damaged or for some reason become inoperable. We remain in contact with our Congressional members in hopes that the \$6,000,000 needed for construction of stop log slots at H. K. Thatcher Lock and Dam can be funded since this is a safety issue.

On November 15, 2015, the Vicksburg District began operating the Jonesville and Columbia Locks in LA on a 24/7/365 basis after being operated less than 24 hours daily since July 2012. The upper two locks, Felsenthal and Thatcher in AR, began operating 5-10 hour days, Monday-Friday, with no weekend service, at the same time.

Tonnage on the Ouachita-Black Rivers system fell below 1 Mil tons in 2015 for the first time since 2013-tonnage was 945,080, down 13 percent from 1,075,520 in 2014. Tonnage in 2016 was 884,000 tons. Now that the lower two locks are operated on a 24/7/365 basis and traffic has begun to move on the upper portion of the project again, we anticipate tonnage to move back in the 1 Mil ton range. There has been a dramatic reduction in the number of shippers on the system in the last several years--from 17 in 2010 to 5 in 2017. Members of ORVA who are in the commercial shipping business have warned of this since implementation of the Inland Marine Transportation System Study (IMTS) in July 2012. Commercial shippers will shy away from navigation systems that aren't operated on a dependable 24/7/365 basis. There is a certain stigma associated with waterways if they are branded as something less than desirable for efficient navigation. There are other causes for decreased commercial traffic such as depressed oil prices, insufficient dredging, depressed economic conditions, etc.; however, there is no question that the chief reason for decline is implementation of IMTS. We have briefed the Commander and senior staff of the Vicksburg District, HQUSACE, and our Congressional delegation in this regard.

Our position from the very beginning was that the project should be operated as authorized at a full level of service and specifically, the lower two locks in LA should have never been operated at less than full level of service. With tonnage running less than one million tons annually, it is going to be difficult to compete for scarce Federal funds. We have experienced this the last 2 years as no additional dredging funds were made available, unlike in the previous years when tonnage exceeded one million. Given the decline in funding and continued project

needs, we have taken steps to have an economic impact study done to quantify the overall economic/environmental value of the Ouachita-Black Rivers Navigation Project. This study is being conducted by the University of Louisiana Monroe and funded by the North Louisiana Economic Partnership and is underway and scheduled to be completed this fall. ORVA believes results of this study will demonstrate and highlight the value and overall importance of the waterway to not only the region but the Nation. ORVA anticipates substantial economic growth, particularly in the LA portion of the navigation project, in the future now that a full level of service has been restored, however, it is going to take time to recover.

ORVA submitted two proposals under Section 7001 of the 2014 WRRDA for project modifications of the Ouachita-Black Rivers Navigation Project, AR & LA, in March 2015 as follows:

(1) Add bank stabilization and water supply as project features which would authorize the Corps to construct bank stabilization measures and operate the project in accordance with water supply needs.

(2) Add the lower 14,000 feet of Little River as a project feature which would authorize the Corps the authority to dredge this area.

The bank stabilization proposal was included in WRDA 2016 as a study to determine the feasibility of modifying the Navigation Project to include bank stabilization as a project purpose. We have begun working with the Corps Staff in regards to the appropriate path forward for the bank stabilization proposal. The water supply feature and Little River were not included in WRDA 2016. We will continue to seek water supply as a project feature. The Little River Proposal was included in the 2016 Section 7001 main report to Congress for consideration.

2. OUACHITA-BLACK RIVERS NAVIGATION PROJECT, RED RIVER TO CAMDEN, AR, BANK STABILIZATION ADDITION. There is a critical need to authorize bank stabilization as an integral component of the Navigation Project. Bank stabilization was not authorized as a project purpose when the project was authorized for construction in 1950. Major bank erosion/caving occurs along the Ouachita and Black Rivers hindering navigation and threatening catastrophic flooding. The recent floods of late 2009, 2010, and 2016 caused major damage to banks and levees. ORVA has developed language to be placed in the next WRDA or appropriate document which would authorize bank stabilization as a project feature of the Navigation Project and thus a Federal responsibility for repair of eroded sites. As mentioned earlier, authorization may result from our action under the Section 7001 of the 2014 WRDA.

3. OUACHITA-BLACK RIVERS NAVIGATION PROJECT, RED RIVER TO CAMDEN, AR, LITTLE RIVER ADDITION. A major problem area has developed in the lower 14,000 feet of Little River where it flows into the Black River. Sediment from the Ouachita-Black Rivers during high-river stages blocks navigation on this segment of Little River, thus preventing fuel from being transported by barge to the major distribution center at Archie, LA. Approximately 70,000,000 gallons of fuel is barged annually to the distribution center. Little River was closed to river transportation

for about 5 months during 2010 resulting in major disruption and increased fuel prices for consumers in a 15 parish and county-wide distribution area in central LA and western MS. The owner of the fuel terminal incurred dredging and other associated costs of approximately \$850,000 to have the channel constructed back to navigable status. In July 2015, the owner again had to hire dredge services at a cost of ~\$300,000 to remove sediment from the lower portion of Little River. The possibility of blockage each year is very likely.

ORVA recommends that action be taken that would authorize the Corps of Engineers to dredge the lower 14,000 feet of Little River. The most logical means to accomplish this is to add this portion of Little River as a project feature of the Ouachita-Black Rivers Navigation Project. Language has been developed to be included in the next WRDA or appropriate document that would achieve this. The fuel terminal at Archie, LA, provides about 25 percent of the total tonnage that moves on the Ouachita System. Any substantial downtime at this facility will most assuredly result in the tonnage on the entire system falling below 1 million tons and place the project back in a "Low Use" category which will make competing for Federal funds more difficult.

Our proposal under Section 7001 of the 2014 WRDA on this issue was initially disapproved due to the "single user" issue. Placid Refining Company, LLC, has developed a chart displaying the terminal service area, list of 29 fuel distributors, population served, amount of fuel distributed, tons/year handled, etc., which we believe goes a long way in disputing this "single user" issue. Currently, the Little River Proposal is included in the Main Report to Congress under the Section 7001 of the 2014 WRDA. Also, contact with appropriate Congressional members regarding this issue continues. We will continue to press on this issue.

4. RED-OUACHITA BASIN LEVEES, AR AND LA. Critical erosion problems occurring along the Ouachita and Black Rivers threaten to cause catastrophic flooding and hindrance to navigation. The amount of erosion of banks, and subsequently levees, far exceed the capability of local interests to maintain the Project to acceptable standards. ORVA and the Tensas Basin Levee District have been working for years to have the Ouachita River Levees Project restored as part of the Mississippi River and Tributaries Project (MR&T), thus making maintenance of the system a Federal responsibility. The WRDA of 2007 included language restoring a portion of the Ouachita River Levees (approximately 43 miles of the upper east bank, 1.9 miles of floodwall in Monroe, and 7.2 miles of levee on the west bank) as part of the MR&T Project. However, it did not reinstate the lower 63 miles of the east bank from Monroe, LA, south which is where the majority of the bank caving problems occur. Language has been developed for the next WRDA to amend WRDA 2007 to include all of the Ouachita River Levees Project as a component of the MR&T Project.

It is extremely disappointing that neither this project, nor the Ouachita River Levees, LA, Project did not receive funding in the President's FY 16 or FY 17 Budget. ORVA strongly supports the additional capability of \$1,900,000 expressed by the Vicksburg District for these projects in FY 17.

5. OUACHITA RIVER BASIN CORPS OF ENGINEERS LAKES (LAKES OUACHITA, DE GRAY, AND GREESON). ORVA strongly supports the proper operation and maintenance of these three lakes in the Hot Springs, AR, area of the Basin. The FY 17 President's Budget for these three lakes was \$19.2 Mil. The Vicksburg District has expressed an additional capability of about \$20.0 Mil to address backlog maintenance items. ORVA requested that an additional \$1-\$4 Mil per lake be added to the FY 18 budget in order to provide increased levels in service activities such as cleaning, mowing, ranger patrols, campsite reservations, user fee collections, and general facility upgrades.

Campground upgrades represent one of the best infrastructure investments to quickly stimulate the economy through a Federal "jobs bill" type program. Here is what Mr. Bill Barnes, local tourism industry leader, recently had to say:

"Arkansas' second largest industry is now-SOLIDLY- tourism with gross receipts last year of over \$5.7 Bil (that is a B!) in sales; employing almost 120,000 people; and generating almost \$500 Mil in taxes. Tourism is the only industry in the state that has been stable and growing over the last ten years and is one of the largest employers of youth in entry level positions.

Arkansas' tourism industry is only as good as its products. The three Vicksburg District Corps of Engineers lakes in the Ouachita Basin are a huge component of Arkansas' tourism product. I am delighted to report that the five counties surrounding Ouachita, DeGray and Greeson- Clark, Hot Springs, Pike, Garland, and Montgomery, have shown substantial tourism tax revenue increases from 2014 to 2016. Because this tax is collected on attractions such as lodging, marina, campgrounds, and slips, we believe it's an accurate indicator of the business.

The most unfortunate situation is the condition of the Corps of Engineers campgrounds, many of which have had virtually no improvements or renovations in 20+ years. The Camping/RV public is expanding at a terrific rate with camper trailer sales increasing 38 percent from 2014 to 2016. We have virtually no up-to-date campgrounds to offer them. This would be one of the most important investments the Corps could make in the lakes' tourism product.

Tourism in Arkansas and the Corps of Engineers investment on Lakes Ouachita, DeGray, and Greeson generate one of the largest returns on investment, which equates to additional tax dollars of any public money investment. At the rate tourism is growing, it is anticipated that it will become the #1 industry at some point. BUT, we must have a quality product to continue that growth."

ORVA will press for certain capability amounts expressed by the Vicksburg District are allocated next fiscal year.

6. LAKE PROVIDENCE HARBOR, LA. The primary need at Lake Providence Harbor is for \$1,300,000 in dredging funds for FY 18. ORVA has assisted the Lake Providence Port Commission in preparing language for the next WRDA, or appropriate authorizing document, to correct the harbor channel sediment problem caused by sediment laden flows into the harbor

channel by Stack Island Chute. The solution consists of a diversion plan whereby a new outlet channel is dug from the Stack Island Chute to the Mississippi River. A closure would be placed in the Chute to prevent sediment during high Mississippi River conditions from entering the harbor. It is anticipated this plan would dramatically reduce annual dredging maintenance.

7. MADISON PARISH PORT, LA. Dredging funds for FY 18 in the amount of \$150K+ are needed.

In summary, ORVA would appreciate your assistance and support in obtaining additional Operation and Maintenance funds for dredging, in gaining authorization for bank stabilization and water supply, and placing the remainder of the Ouachita River Levees as part of the MR&T Project, giving strong consideration to campground upgrades at the three Ouachita River Basin Corps lakes, and in having the lower 14,000 feet of Little River authorized as a feature of the Navigation Project.

On behalf of the Ouachita River Valley Association, we thank the Mississippi River Commission for all you do for our country.

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