



**STATEMENT OF THE OUACHITA RIVER VALLEY ASSOCIATION
PRESENTED TO THE MISSISSIPPI RIVER COMMISSION
VICKSBURG, MS
AUGUST 22, 2018**

General Kaiser 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 125 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 Kaiser 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 2018 and Fiscal Year 2019 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 2017/18 dredging operations. Shallow areas from the mouth of the Black River to Camden, AR, the Head of Navigation have been dredged and clearing and snagging operations conducted. The channel is open all the way to Camden, AR. Our good news is commercial navigational traffic is moving on the upper portion (Arkansas portion) of the project. TETRA Technologies continues to ship out of Crossett Harbor. The FY 18 President's Budget of \$10,548,000 allowed dredging to address the shallow and narrow channel areas within the waterway. We are disappointed that the FY 19 President's Budget dropped to \$7,979,000. Although dredging improvements have been made, ORVA will keep pressing for an annual budget of \$11+ million in order to fully operate and are working with our congressional delegation to request additional appropriations to return to an acceptable funding level. We stressed this point with USACE/ Congressional members during our March 2018 Washington,

D.C. visit and will again during our October visits. ORVA's goal is to maintain the channel to authorized dimensions up to Camden, AR, the Head of Navigation.

We thank the Vicksburg District for its efforts to get a contract underway to repair the Columbia Lock seepage. As you know this has stopped all commercial traffic above the Columbia Lock. Just when dredging was completed to open the channel all the way to Camden, AR, the Head of Navigation, and expectations of increased commercial traffic on the waterway the Columbia Lock had to be closed. Our Association request that this traffic blockage be considered when the Inland Marine Transportation Study is applied on the Ouachita River at the end of the year. The Ouachita River Navigation Project should not be penalized due to this required lock closure.

We are also concerned about the \$20+ million 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 accidently 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 could become a safety issue.

On November 15, 2015, the Vicksburg District began operating the Jonesville and Columbia Locks in Louisiana 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 hours per day, Monday-Friday, with no weekend service, at the same time.

Tonnage on the Ouachita-Black Rivers system fell below 1 million 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 and approximately 800,000 tons in 2017. We had anticipated that with the lower two locks operating on a 24/7/365 basis and traffic beginning to move on the upper portion of the project again, tonnage would move back in the 1 million-ton range. With the Columbia Lock Closure, it will take longer to see increased tonnage on the waterway. 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 Louisiana should have never been operated at less than a 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 with no dredging funds included in the 2016 and 2017 President's Budget and inconsistent funding unlike in the previous years when tonnage exceeded one million. Given the decline in funding and continued project needs, we took steps to have an economic impact study done to quantify the overall economic/environmental value of the Ouachita-Black Rivers Navigation Project. This study was conducted and completed by the University of Louisiana Monroe in December 2017 and funded by the North Louisiana Economic Partnership. The study revealed commercial use of the River generates nearly \$5.7 billion annually and is linked to nearly 21,000 full-time jobs in Louisiana and Arkansas. Further, commercial activities have returned \$1.2 billion to household incomes throughout the region. The study results 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 Louisiana 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 was 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 and included in WRDA 2016. We have begun working with the Corps staff on the appropriate path forward.

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, 2016 and 2018 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.

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 Louisiana and western Mississippi. 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 had to acquire dredge services at a cost of ~\$300,000 and again in July 2018 at a cost of ~\$160,000 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. As indicated above we have begun to work with the Corps on appropriate path to conduct a study in regards to adding this portion of Little River as a project feature of the Ouachita-Black Rivers Navigation Project. 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 as occurred this year 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.

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 18 or FY 19 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 19 President's Budget for these three lakes was \$22.3 million. The Vicksburg District has expressed an additional capability of about \$6.5 million to address backlog maintenance items. ORVA requested that an additional \$1-\$4 million per lake be added to the FY 19 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 Billion (that is a B!) in sales; employing almost 120,000 people; and generating almost \$500 million 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. We thank the Corps for the current dredging underway at the Lake Providence Harbor. The primary annual need at Lake Providence Harbor is for \$1,300,000 annually for dredging the channel. 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. The Port Commission has been working with the State of Louisiana and anticipates the study and construction of the Stack Island Chute solution to be funded by the State of Louisiana.

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 water supply, placing the remainder of the Ouachita River Levees as part of the MR&T Project, considering campground upgrades at the three Ouachita River Basin Corps lakes, and completing the study of the Lower 14,000 feet of Little River to authorize it 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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