

Waterways

A publication of the Upper Mississippi Waterway Association

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Federal stimulus money means...

Lock work to start in January

For years UMWA members have been raising concerns about the potential for catastrophic problems at Lock and Dam 3 near Red Wing, Minn. Even though the chamber was rehabilitated last year, an outdraft current remained which continues to tug at towboats and barges, pulling them toward the gated part of the dam.

And deteriorating embankments on the Wisconsin side of the lock which, divide the 8 foot head at the dam into three steps, have continued to worry the Corps of Engineers and users. That's because a navigation accident, perhaps because of that outdraft problem, could render the dam's roller gates inoperable and result in overtopping of the embankments and a potential loss of pool.

Repairs begin soon

The fix for the problem has always been high on the Corps of Engineers project list, but limited funds have pushed the timetable back.

So UMWA and others were pleased by a recent announcement from the Corps that the St. Paul District will begin making those much needed repairs beginning in January. With more than \$70 million from the American Recovery and Reinvestment Act, the Corps is issuing three contracts for 1. Navigation improvements, 2. Upper embankment work and 3. Lower embankment work. The work will also extend the upper guidewall 800 feet and modify the channel to reduce those outdraft forces.

After close of navigation this fall, Lock and



Dam 3 will reopen to navigation on March 29, 2010, and all work should be wrapped up by September of 2011. The Corps says contractors will be allowed to close the lock for up to 96 hours a month during construction, limited to 24 hours at a time and with at least 24 hours between closures. There will be no holiday or weekend closures.

Sign up for updates

If you would like to keep up with progress on the project, you can get periodic Lock and Dam 3 construction updates and closure information by email.

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From the Executive Director...

Another National Transportation Tax

Some readers may recall a 1980s action by the Minnesota Legislature that resulted in a sales tax on towboat fuel burned within state waters. The story then was that, for whatever reason, towboat fuel was missing from a bill that would impose a sales tax on freight transport fuel. And, according to this story, a wee-hour legislative session ‘corrected’ that oversight, resulting in towboat fuel being added to the list of taxable items. Unfortunately, that action was, shall we say, not communicated to the state’s navigation industry until tax invoices were sent.

A somewhat similar situation appears to be shaping up at the federal level under the guise of creating a national surface transportation plan.

Are Inland Waterways Included?

A bill sponsored by Senators Rockefeller and Lautenberg was introduced in May of this year and has been referred to the Committee on Commerce, Science and Transportation, where it still resides. S. 1036 proposes to establish national goals for Federal surface transportation and create a national surface transportation plan.

The bill straightforwardly states that air, rail, pipeline and *water transportation* are to be included in the new transport policy. Among other things, the bill requires that recipients of Federal surface transport funds must annually report the projects, rationale for appropriating funds, and how those projects serve the goals of the new legislation. This suggests that unless COE and NESF (as recipients of federal funds) are excluded by virtue of the bill’s fine print, those projects will be subject to S.1036. For the time being, we’ll assume that is the case.

Co-Author Speaks of Barges

At a June 18 hearing before the Senate Committee on Commerce, Science and Transportation, testimony by the bill’s co-author, Senator Lautenberg, specifically refers to barges, trains and trucks as well as the need to make better uses of trains and barges to reduce highway and corridor congestion. To remove

misunderstanding, the Senator stated he is not saying trucks are not important. Instead, he maintains that barges and trains need to become *as* important! “Unfortunately, federal investment has focused almost exclusively on highways while neglecting our railroads and seaports.”

A New All-Mode Freight Trust Fund

One of five witnesses invited to participate in the June 18 hearing was a representative of the Mississippi Department of Transportation (MDot), who argued for creation of a new federal program and a Freight Trust Fund (FTF). MDot states that total trade, as a percentage of U.S. GNP, is expected to rise to 60 percent by 2035, up from the current 30 percent.

To meet the challenges of an expected doubling of freight movements, MDot “. . . would respectfully request that \$10 billion annual level be incorporated in the Committee’s mark-up legislation for a new discretionary freight program.” Also, MDot suggests that the Office of Intermodalism be reestablished within USDOT to administer the new freight program that would evaluate projects, regardless of mode.

To fund the FTF, MDot supports a 1% fee on all bills of lading that would raise the \$7 to \$10 billion needed.

Transport Policy Must Recognize Green

Maresk, Inc., the only invited witness from the maritime industry, stated that most conversations and policies about “surface transportation” don’t include maritime considerations, thereby excluding a ‘greener transportation alternative’ provided by ports, marine transportation and waterways.

Maresk also endorsed the concept that inland waterway and coastal shipping offer immediate and cost effective solutions to the freight movement challenges in this country.

Speaking to the lack of speed in our construction process, Maresk reminded the Senate Committee that America’s project approval and funding process is badly broken. Maresk further stated that while the Corps wants to build projects, the current process is

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‘ponderous and discouraging’.

Addressing the issue of funding, Maresk stated that public/private funding should not be summarily dismissed when discussing freight movement projects. And if private funding is appropriate for specific situations, then some legislative reengineering needs to be done.

While not addressing the issue of the FTF, Maresk urged the Congress and Administration to move ahead with an increase in the gas tax as recommended by a surface transportation policy commission last year.

Fine Print to Exclude NESP?

Getting back to the issue of whether or not fine print excludes congressionally authorized COE and NESP projects – given what we understand about the contents and purpose of this bill, we can only surmise that inland waterway projects are subject to S. 1036. This assumption is reinforced by the co-author’s specific reference to barges and his comment that trains and barges need to become as important (in the policy making thought process) as trucks.

Having said that, we’re not entirely comfortable with our assumption, given that we have not seen reference to this issue in the mainstream waterway press. However, if we missed the coverage, we extend our apologies to those publications.

As for the surprise sales tax invoices sent to Minnesota operators some two decades ago, UMWA dug into its resources and retained an effective lobbyist who had the legislation reversed in 1988.

New hydro plant at LSAF

Work continues on a small hydroelectric power generating plant being built in the auxiliary chamber of the Lower St. Anthony Falls Lock and Dam.

Brookfield Renewable Power is the parent company for the \$35 million dollar project that will generate 10 megawatts of power, enough to power 7500 homes, when it goes online near the end of 2010. When it’s complete, the plant will house 16 turbines to generate electric power.

One of four

The new plant is one of four hydropower plants that will eventually harness the river’s flow in the St. Anthony Falls area. One, the Xcel Energy St. Anthony Falls hydro plant is finished. Two others are proposed which will use water running through old flour mill tunnels to generate smaller amounts of electricity. Minneapolis Mayor R. T. Rybak and several legislators toured the St. Anthony Falls construction site on November 5.

Owns old Ford plant

In 2008, Brookfield Renewable Power acquired the Ford Hydropower plant in St. Paul and has renamed it the Twin Cities Hydropower project.

Xcel Energy has a power purchase agreement to buy nine megawatts of power from the new St. Anthony Falls project.

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To receive the information, visit

http://www.mvp.usace.army.mil/list_server/

On a related note, the U.S. House has begun work on a new WRDA bill for consideration next year. WRDA bills authorize studies and projects within the Corps of Engineers, including navigation, flood damage reduction and shoreline protection and environmental restoration.

In other news...

Locks and dams continued to make the headlines in other areas of the country in October. As UMWA and other groups have pointed out, the recent failure at Ohio’s Markland Locks and Dam is just the latest indicator that the kind of funding called for in the 2007 Water Resources Development Act (WRDA) is desperately needed.

We should point out that UMWA is not alone in its concern about inland waterway infrastructure – In January of this year The American Society of Civil Engineers gave the U.S. inland waterways an overall grade of D- and said that the \$30 billion set aside for repairs over the next five years will fall at least \$20 billion short of needs. In 2006 the Army Corps of Engineers said that 47% of the 257 locks it maintains were functionally obsolete.