

**Upper Mississippi River-Illinois Waterway System Restructured Navigation Study**  
**Public Meeting Minutes**  
**March 19, 2002**  
**Ramada-Airport, Bloomington, MN**

**1. Attendance**

65 members of the public attended the meeting. Officials and staff of the Corps of Engineers, state and local governments, and non-governmental organizations (NGOs) also attended. Organizations in attendance included the Audubon Society, MARC2000, the Mississippi River Basin Alliance, American Iron, Minnesota Soybean Growers Association, River Resource Alliance, Izaak Walton League of America, Public Employees for Environmental Responsibility, LaFarge North America, the Institute for Agriculture and Trade Policy, Isaac Walton League, National Corn Growers Association, Hawkins Inc., Bunge North America, the Upper River Services, and the Riverway Company.

**2. Welcome**

At 6:30 Bill Wiedman introduced the meeting structure, procedures and basic information. He then introduced the project manager, Denny Lundberg.

**3. Formal Presentation**

Denny Lundberg gave a formal presentation describing the Upper Mississippi River-Illinois Waterway System Restructured Navigation Study. He then introduced the following people:

Dan McGuinness – Audubon Society  
Rick Moore – Izaak Walton League of America  
John Duyvejonck– US Fish and Wildlife Service  
Dick Lambert – State of Minnesota  
Terry Moe – State of Wisconsin  
Paul Bertles – National Corn Growers  
Rich Manguno – Corps of Engineers, New Orleans District, Economics Team Leader  
Ken Barr – Corps of Engineers, Rock Island District, Environmental Team Leader  
Dave Raasch – Corps of Engineers, St. Paul District  
Kevin Bluhm – Corps of Engineers, St. Paul District

**4. Question and Answer Period**

The public submitted written questions which were answered as follows:

**Question:** The Corps has illustrated several potential systemic environmental projects. How would these systemic projects be funded. Federal vs. Private?

**Ken Barr, Corps of Engineers :** Improvements to lock and dams, construction impacts, and traffic increases would be part of the Federal cost and would be cost shared with fuel tax and users fees. Water level control and modification to maintenance would be cost shared. Continued operation and maintenance of the 9 ft. channel would be fully Federally funded. Broad basin studies would be cost shared.

**Question:** What is the Corps doing to restore more natural seasonal flows to the river?

**Ken Barr, Corps of Engineers :** The Corps of Engineers in three Districts have been experimenting with keeping the 9 ft. channel open for traffic while lowering pools to expose vegetation to create wetlands. The Corps of Engineers wants to look at water level controls on a system wide basis.

**Question:** I thought that a valid EIS required a "preferred plan" for any proposed major federal action affecting the environment. It sounds like this may not be the approach here.

**Ken Barr, Corps of Engineers :** There will be no EIS with the interim report. In 2004 there will be a full-blown EIS.

**Question:** What is the role of Audubon in this new process?

**Dan McGuinness, The Audubon Society:** The Audubon Society is working with the Corps of Engineers in developing the new interim report. The Society also works toward restoration of the river. An integrated approach should include navigation and ecological aspects. The last 100 years of degradation of the ecosystem needs to be reversed.

**Question:** If new 1200 ft locks are not constructed, can you continue to provide existing levels of service for the foreseeable future?

**Denny Lundberg, Corps of Engineers :** Given prudent maintenance, we can keep the locks going for an additional 50 years.

**Question:** If you construct new locks or extensions at selected sites, won't the rest of the aging infrastructure have to perform at existing (or even higher) levels to realize any benefits from the extensions of new locks?

**Denny Lundberg, Corps of Engineers :** It is very possible that the locks will see more traffic. The Corps of Engineers can keep the locks maintained for an additional 50 years.

**Question:** The NRC noted that your construction cost for lock extensions or new locks are probably too low. They also recommended that you recalculate rehabilitation costs savings for the existing locks. I didn't see these recommendations noted in your slides. Do you intend to revisit these cost estimates in detail?

**Denny Lundberg, Corps of Engineers :** The Corps of Engineers has sent out all designs to an independent consultant to look at costs and contingencies. The cost savings are dependent on new traffic forecasts. Scenarios will be developed with different traffic forecasts.

**Question:** Does the public get to comment on the interim report? I thought that's what these meetings were for. Has the interim report been released to the public yet?

**Denny Lundberg, Corps of Engineers :** The interim report has not been released to the public. The interim report is just a status report. It will be put on the website and there will be an opportunity for the general public to comment.

**Question:** What happens to the feasibility study if Congress authorizes longer locks prior to 2004?

**Denny Lundberg, Corps of Engineers :** The feasibility study will contain the NEPA study, the economic analysis. The Corps of Engineers would probably finish the feasibility study for documentation.

**Question:** Can you explain how using "previously approved" economic models is more consistent with your definition of economic sustainability then following the National Research Council's recommendation to use the economic model developed for this study populated with real, current economic data?

**Rich Manguno, Corps of Engineers :** Can't answer how the model would address environmental sustainability. The NRC concluded that the model was the right approach but needed to be developed further. A decision was made to use an existing Corps of Engineers model. The existing models don't incorporate some real world considerations so they are not free of deficiencies.

**Question:** What would the breakdown be between the money spent to increase the flow of barge traffic (enlarging dams) and money spent directly for enhancement of environmental systems percentage wise?

**Rich Manguno, Corps of Engineers :** Future expenditures will be a result of the final report and recommendations and we don't know what that is right now.

**Question:** In a March 6, 2002 filing with the Securities and Exchange Commission, the largest carrier on the inland waterway system, American Commercial Barge Lines (ACBL), stated "Industry covered barge supply is expected to decrease compared to 2001 levels as barge retirements exceed new construction. This is equipment used to move farm products on inland waterways." Will your new future traffic scenarios take into account this industry leader's forecast of decreasing supplies of covered barges?

**Rich Manguno, Corps of Engineers :** No. The assumption of all of the scenarios has or will be that barges are available to move forecasted traffic.

**Question:** How is the study taking into account the value of the river's ability to give me competitive rates for my beans and corn vs. how rates would rise without barge rates?

**Paul Bertles, National Corn Growers Association:** Several studies were conducted by the Corps to determine what railroads would do if barge competition was not there. This information has probably not been fully incorporated into the Corps of Engineers studies.

**Question:** Why doesn't the Corps consider the cumulative, past effects of the navigation system when talking about mitigation? If environmental sustainability is really a goal, past impacts must be taken into consideration--the current environment is not sustainable.

**Ken Barr, Corps of Engineers :** Dams built 60 years ago caused affects experienced today and that will continue into the future. The Corps of Engineers conducted a cumulative effects study to look at island loss and backwater loss and what the system might look like 50 years from now. The report is not done in a mitigative context but as a look to the future.

**Question:** Did the 5:1 benefit:cost of existing system include ecological costs?

**Ken Barr, Corps of Engineers :** No, it does not include environmental benefits or costs. The annual operations and maintenance are the costs as compared to the benefits of moving goods through the system.

**Question:** What are the effects of the Gulf Dead Zone?

**Ken Barr, Corps of Engineers :** The Corps of Engineers is concerned about this hypoxia problem in Louisiana. One relationship is that there is a change in land use in the watersheds feeding into the Mississippi River. The Corps of Engineers is trying to integrate crop production and farming practices into the scenario analysis.

**Question:** How much of the navigation study budget has been spent on environmental studies?

**Ken Barr, Corps of Engineers :** \$50 million has been spent on the navigation study so far and about half (\$25 million) has been spent on environmental studies for systemic effects of traffic on the system.

**Question:** Have you identified any problems that cannot be mitigated?

**Ken Barr, Corps of Engineers:** There are three hotspots that the Corps of Engineers is studying. There are 50 backwater complexes that have been identified and there are about 15 backwater areas where towboats cause resuspended sediment impacts to the system. The Corps of Engineers is also looking at commercial navigation significant effects on bank erosion. The Corps of Engineers is looking at options to stabilize banks. Another resource of concern is fish (adults chopped up in propellers and larval fish being killed by the barges.) It is difficult to replace something that has been destroyed. The best thing to do is avoid, minimize effects or lastly, replace resource. Adaptive management will play into mitigation.

**Question:** Does any of the group feel that a tax on recreational boating industry help pay the cost of river navigation system?

**John Duyvejonck, US Fish and Wildlife Service:** There is a recreation study that was completed by the Corps of Engineers. The results showed recreational use, different classes of boats and the effect of shoreline erosion. The study showed that there are different effects than towboats but there is no consensus on if they are significant. There has been no discussion of taxing the recreational boaters.

**Question:** We often hear that the existing system's infrastructure is "ageing" and "crumbling." Hasn't this been fixed over the past decade by "Major Rehabilitation" on the system of \$20-40 million at each dam?

**Denny Lundberg, Corps of Engineers:** Given prudent maintenance, we can keep the system going for 50 years. There will be an other round of rehabilitation during the next 20-25 years.

**Question:** If the study is to be balanced between navigation and the environment--why do any interim report at all which only considers navigation side? Why do you not wait for tentative plan in '03?

**Denny Lundberg, Corps of Engineers:** The interim report lays out the issue of sustainability and achieves a balance on both sides. The Corps of Engineers is sorting out actual programs and measures that could be put into place on the ecosystem side. The study is not just focused on navigation.

Rich Manguno readdressed a question posed previously regarding how alternative mode transportation was incorporated into the analysis.

**Rich Manguno, Corps of Engineers:** The typical assumption is that there will be sufficient capacity to move whatever quantities are required at the current rate structure. The conclusion of a Corps of Engineers study provided no reason to deviate from that assumption.

**Question:** Is public resistance to railway capacity expansion (as demonstrated by DM&E outrage in Southern Minnesota) factored into the study?

**Rich Manguno, Corps of Engineers:** No, it is not.

**Question:** A major railroad expansion project (DM&E Railroad) has been approved. Has the Corps incorporated these new traffic numbers (coal & grain) into the study?

**Rich Manguno, Corps of Engineers:** This would be incorporated by looking at the differential between water and rail. Whether or not this would impact the differential is uncertain.

**Question:** Since much of the data used in this study are 10 years old or older, do you intend to update any of the critical economic data developed for the study other than the traffic forecasts?

**Rich Manguno, Corps of Engineers :** No. The rate structure used in the earlier studies will be the one used in this study. The Corps of Engineers is not updating anything but the forecasts.

**Question:** What is the difference between subsidies to the railroad system and the barge system as regards public infrastructure?

**Rich Manguno, Corps of Engineers :** The current cost sharing in place for waterway improvements is that O&M is 100% federally financed from general revenue. Improvements are cost shared 50/50 with 50% paid from general revenues and 50% paid from the Inland Waterways Trust Fund. The Trust Fund is financed from a fuel tax. Can't answer question about subsidies to railroad system.

**Question:** How have the increasing number of repairs needed, the older the locks get, been factored in the Corps study?

**Rich Manguno, Corps of Engineers :** This is done by identifying the schedule of expenditures over time to achieve existing levels of service and is a function of the age and use of the system.

**Question:** How can ecosystem health on the river be restored and sustained if grain production continues on a scale that supports navigation at the current or an expanded level?

**Ken Barr, Corps of Engineers :** The Corps of Engineers has a good handle on the effects of existing traffic. With modeling of forecasted traffic, the Corps of Engineers will have a good handle on future effects. There are other things besides boats that are having a detrimental affect the system and provide challenges to sustainability. There is no serious consideration to taking the dams out. We must make the best of what was done 60-70 years ago.

**Question:** Will the Corps mitigate any environmental damages caused by the lock expansion?

**Ken Barr, Corps of Engineers :** Yes.

**Question:** Has the team looked at the possible reduced long term environmental impact if 1,200 ft locks were built and there is much less churning and stalling as 1,200 ft tows no longer need to split and hold.

**Ken Barr, Corps of Engineers :** The Corps of Engineers is aware of the physical affects. With the 600 ft locks, the Corps of Engineers is looking at adding more mooring cells and keeping the barges in deeper water. With the 1,200 ft chamber, the Corps of Engineers is looking at quantifying delay times and how localized effects are reduced.

**Question:** What might the Corps do to control and reverse the spread of invasive species?

**Ken Barr, Corps of Engineers :** The Corps of Engineers is on the verge of turning on an electronic barrier to keep the round goby out of the Illinois River coming into Lake Michigan. This will be tested for one year. The Corps of Engineers and FWS came up with prudent and reasonable alternatives to reduce the effects of the zebra mussel on the endangered Higgins eye. The feasibility phase of this study will be done shortly. The Corps of Engineers also realizes that tearing down dams could result in the movement of exotic carp into the Upper Mississippi River.

**Question:** Will the improvements to the lock and dam system have an affect on flooding on the Upper Mississippi or Minnesota Rivers?

**Dave Raasch, Corps of Engineers :** No. Some of the improvements may have localized impacts that would be minimized and mitigated. There is a parallel effort looking at floodplain impacts and recreational opportunities on the Upper Mississippi.

**Question:** Corps of Engineers feasibility studies are required by guidelines issued by President Reagan to comply with the 1983 Principles and Guidelines for Water and Related Land Resource

Implementation Studies. Your "no probabilities" scenario based planning described here clearly does not comply with Principles and Guidelines because it does not describe the most likely future with and without project. Under what authority can the Corps violate this Presidential guideline?

**Denny Lundberg, Corps of Engineers :** The Corps of Engineers is outside the P&G box and headquarters is aware of that. This will be documented in the interim report. There is no further guidance except to carry on with the scenarios.

**Question:** In its response to the recommendation of the Great River Study in 1980, the Corps Division Commander stated he would not recommend the expansion of its authority to include fish and wildlife management. This desired change is still valid--is it likely to be embraced now?

**Denny Lundberg, Corps of Engineers :** There is authority but a lack of funding.

**Question:** Is the concept of sustainability in a balanced system going to be embraced by the Corps?

**Denny Lundberg, Corps of Engineers :** The highest levels of the Corps of Engineers are extremely interested in making this work.

**Question:** What is the Corps' cost estimate for enlarging the dams?

**Denny Lundberg, Corps of Engineers :** There are no plans to enlarge the dams. The lock extension from a 600 to a 1,200 ft lock would run between \$100-120 million. A new 1,200 ft lock would cost \$200-250 million.

**Question:** Could you define "prudent maintenance"?

**Denny Lundberg, Corps of Engineers :** That would be proactive rather than reactive maintenance.

**Question:** If the Corps does not provide a "most likely" scenario, how will Congress assess which scenario is the best alternative?

**Denny Lundberg, Corps of Engineers :** Congress will not provide the best alternative. The Corps of Engineers will look at future worlds in their analysis and pick the best alternative. Congress will be looking for a recommendation from the Corps of Engineers.

**Question:** Please go over the timetable again--it didn't seem correct on the slide.

**Denny Lundberg, Corps of Engineers :** The slide shows calendar year not fiscal year. The timetable shown on the slide is correct. All information will be available in the winter of 2002-2003 with tentative plans. The public will get information in the spring of 2003. The information will go to the administration and ultimately to Congress.

**Question:** The NRC report stressed the importance of evaluating nonstructural approaches like scheduling. How is the Corps evaluating the feasibility of nonstructural alternatives?

**Rich Manguno, Corps of Engineers :** There will be a number of non-structural measures that will be included in the report. There is already a standard analytical process in place for evaluating N up/N down and congestion fees. The Corps is still in the process of establishing the analytical procedure that will be used to evaluate scheduling and tradable permits.

**Question:** Will cost/benefit analysis include costs of tow waiting time with construction cost?

**Rich Manguno, Corps of Engineers :** Yes. Construction costs constitute the cost portion of the analysis and tow waiting time is a part of the benefit portion of the cost/benefit ratio.

**Question:** Can you comment on the conclusion of the brochure "Will it really help farmers" by the Institute for Agriculture and Trade Policy. (Authors Levins, Rice and Sowing)

**Rich Manguno, Corps of Engineers :** In the analysis, the Corp measures efficiency improvements from the prospective of the nation. The Corp doesn't identify distribution of potential benefits by group, such as farmer and shipper.

**Question:** Do any of the scenarios you are developing consider the effects on traffic levels if public subsidies for grain production are reduced or replaced with incentives to grow grass or other crops that are used locally?

**Rich Manguno, Corps of Engineers :** The scenarios will attempt to address policy that affects the number of acres in production and the distribution of specific crops.

**Question:** Is there a strategic plan envisioned in the restricted study for sedimentation control in the pooled river? (Probably the most degrading phenomenon in the navigation system.)

**Ken Barr, Corps of Engineers :** Sedimentation is the most difficult issue we have. In terms of a strategic plan, the Corps can deal with certain aspects systemically such as water level controls to reduce flocculence, notching wing dams to create diversity, and modification of dredging practices to help manage the sedimentation. Sedimentation is a watershed issue. It is a possibility that we will look at a new authority to deal with sedimentation.

**Question:** When will the Corps conduct an environmental impact study of the environmental impacts of the existing system of locks and dams and navigation system? When will the Corps study 150 years of negative impacts from dikes, dams, and dredging on the Upper Miss?

**Ken Barr, Corps of Engineers :** The Principals Group decided that rather than prepare an EIS or go back to the EISs of the 70s, the Corps should focus on the ongoing effects of the system and ways to modify the system for the environment. The focus will be on the future rather than the past.

**Question:** I commend the Corps stated concern with fish and wildlife, shoreline erosion, the zebra mussels, clean water, etc. You have stated a cost estimate of \$200-250 million for an improved lock at this time. Why can't you now give us an estimate of providing the ecological benefits of which you speak?

**Ken Barr, Corps of Engineers :** The Corps of Engineers has looked at a range of alternatives in past studies with mitigation cost estimates ranging from 80-\$185 million. That was looking at relieving congestion and mitigation. The Corps of Engineers is just now starting down the path of computing the costs of ecological restoration in the new study. The Habitat Needs Assessment data can be used to figure out the acres of resources that can be restored. This is a first cut at systematic planning.

**Question:** How can you avoid the NEPA requirement to include past, present and future impacts in the cumulative effects analysis? Ignoring the past is ignoring the cumulative impact!

**Ken Barr, Corps of Engineers :** Absolutely not. It is an absolute requirement of NEPA to look at cumulative effects. The Corps of Engineers is not just looking at its own effects but the effects of everyone. The Corps of Engineers reprogrammed \$5 million dollars to look at cumulative effects.

**Question:** I would like to know the time for the next Mississippi River Boat in August.

**Kevin Bluhm, Corps of Engineers :** The tentative dates are an open house on August 10 at Lampert Landing in St. Paul and a public hearing on August 12 in Prairie du Chien.

**Question:** What are the economic cost estimates (loss due to inefficiencies) of operating under the current capacity of movement? Or, what are the cost-benefits of expanding the locks?

**Rich Manguno, Corps of Engineers :** We don't yet know the answer. The Corps of Engineers has a good sense of the current costs of the operating inefficiencies. It is not just the existing inefficiencies but the anticipated inefficiencies over the next 50 years that are of concern. The current operating inefficiencies are that the average costs of moving corn are 3 cents per bushel.

## 5. Statements

**Tim Sullivan, Mississippi River Basin Alliance:** We have 150 years of degradation that we have to restore because we have only looked at the river from a commercial, economic development viewpoint. I hope that the Interim Report will show how big a discrepancy there is here and will hold on to the premise that the Navigation Study can not move forward until we have adequately assessed the impacts and costs. We need to determine the costs of environmental mitigation and restoration before we enter into the project.

**Julian Sellers, Audubon Society:** You can't measure the value of an ecosystem as easily as you can measure economic benefits. With all the emphasis on economic benefits, we don't have a way to grasp the impact to the environment. The impact to the navigation is all directed on the river, whereas the impact of any other transportation system is spread out throughout the country.

**Mindy Odegard, American Iron:** A modal shift study showed that closing the Upper Harbor to navigation would cause economic, social and environmental impacts. The modal shift would cause an additional 822 trucks to move through St Paul every day. We must recognize the benefits that the river provides and promote more movement of commodities by water. American Iron would like to lend its support to modernization of the system, see the Corps deliver the Interim Report to Congress in July, and see the Corp finish the Navigation Study by May 2003.

**Bob Kruger, Minnesota Soybean Growers Association:** MSGA believes that good river commerce and an environmentally sound river system can work together. The river system is environmentally friendly, provides recreation and is home to many wildlife species. MSGA strongly supports improvements and upgrades to the locks and dams on the Upper Mississippi River.

**Dan Larsen/Al Christopherson, River Resource Alliance:** Concerns include a balanced approach to river management that addresses the natural, navigational, and recreational needs of the system. New 1,200-foot locks, five guide wall extensions, mooring buoys and cells are needed. Delivery by the Corps of a substantive draft interim report to Congress by July is encouraged and conclusion of the navigation Study by the May 2003 deadline.

**Willis Maitson, Public Employees for Environmental Responsibility:** Corps senior management was purposely manipulating the economic analysis of this study in an attempt to support immediate construction of larger navigation locks. The improvements to the locks will only benefit the barge companies at the taxpayer's expense. There is a clear and obvious conflict of interest created by the Corps' role in civil work project evaluation and the budget process that ultimately determines the civil works budget levels of the Corps. The Corps has carefully reconstructed a refocused study so superficial and vague that all the special interest stakeholders can find something to support in it. The only stakeholders victimized by this refocused study are the taxpayers-the 280 million stakeholders not represented here tonight.

**Reed Jenson, Corn farmer in South Dakota:** As landlocked farmers, we export our corn by railroads and need the competition from the Mississippi River to keep our transportation costs down. Already, costs have increased up to 20 cents a bushel. This greatly affects the economy of small towns. Push forward the study as fast as possible. We are in a global market and the winners are the low cost producers.

**Ron Ricker, Lafarge North America:** One gallon of fuel move one ton of product 514 miles by barge, 202 miles by rail and 59 miles by truck. As the Twin Cities grows, there are needs to fill and the river system provides the most environmentally friendly mode of transportation in and out of our community. The river provides the lowest cost mode of transportation. The river provides us with jobs and recreation. Upgrading and modernizing the lock system will allow further advantages of this resource.

**Mark Muller, Institute for Agriculture and Trade Policy:** The National Academy of Science criticized the Corps traffic forecasting models, and the models still don't incorporate structural variables such as farm income, government policy, changes in technology, increasing resistance to genetically modified grain, or the US transition to high-value grain exported via routes other than barge. The traffic forecasts have been independently reviewed and the recommendations that came out of the independent review have also not been incorporated. We ask the Corps to please reconsider use of the Delphi technique so experts in agricultural policy, environmental issues, grain production, international trade or other fields can provide input to the model, the Corps, and Congress.

**Heather Schoonover, Institute for Agriculture and Trade Policy:** We need a future that benefits the economy, the ecosystems and the communities of both the United States and other countries. Rather than continue on the track of bulk commodity production, we need to focus our energies on other types of agriculture. We somehow need to cooperate, not compete, with our South American neighbors. Expanding the navigation system on the Upper Mississippi River at this time is unnecessary and will not result in the future we desire.

**Jim Harrison, Citizen:** In this area we have three nationally designated environmental rivers that are also navigable. We have learned to live double designations and appreciate the focus that is now being applied universally to the whole system. We have overcome some political roadblocks. We see the river as a people river: economically, socially and environmentally.

**Dan McGuinness, Audubon Society:** Audubon is looking at a larger question: how do you sustain the ecological and economic health of not only the river but the communities along the river in the watershed and the farmers in the region. Clearly the answer is not to continue in the direction where we are headed. Currently there are fewer farmers and less fish and wildlife habitat. Also, there is declining economic health in our communities and there is continuing degradation of the river because of levees and lock and dams. And, there is a lack of funding for ecosystem improvement. This is not a balanced approach and we hope that this is not the definition of balance in the future.

**Rick Moore, Isaac Walton League:** A variety of people can look at an identical situation and come up with any number of solutions. We are dealing with the same river, we all live in the Midwest and I think that we want what is best for our region. The challenge is to try and find that point where no one has to give up too much and everyone comes away with something more. We in the environmental field are committed to this collaboration process.

**Paul Rohde , MARC2000:** It is good to see this collaborative process, at the same time it is a little frustrating when we here the continual denomization of transportation or agriculture. We can't choose to abandon economic vitality. We can choose to move commodities in the least environmentally intrusive manner, or we can choose to have 866 trucks rumbling through our neighborhoods for every typical barge load. We can choose to prepare for the growing global population, or we can choose to let South America grow soybeans. We can choose to work together as a region and focus our concern or all the economic and environmental issues and move forward. MARC2000 applauds the cooperative effort, recommends the continued study of environmental needs beyond the 15-year construction process, and works for full funding for EMP programs.

**Paul Bertles, National Corn Growers Association:** Exports will help farmers; the competition is between American farmers and South American farmers. Value added agriculture is moved primarily by barge. Global corn demand has been rising, but our transportation infrastructure is making us uncompetitive. The long-term viability of the agriculture industry needs these locks.

**Todd Mathiason, Hawkins, Inc.:** If the locks are completely eliminated, there would be too many additional trucks and rail cars. We support the lock improvements, but we need the Corps to deliver the Interim Report to Congress in July with specific recommendations. The navigation Study has been going on for 10 years and we hope the Corps will conclude this by the May 2003 deadline.

**Jason Holtoss, Bunge North America:** The river system needs improvement. Small improvements in efficiency will lower the cost sufficiently. I support the lock and dam improvements.

**Lee Nelson, Upper River Services:** Total tonnage is increasing 7-8% for all commodities in the Twin Cities. Because demand is increasing, we need to look to make movement as efficient as possible. To date, barge transportation is the most efficient mode of transportation.

**Terry Becker, Riverway Co.:** Barge companies get a bad rap, like we are the enemy. We want to see this come to an end. People should be embarrassed to get up and say things that, even though they believe in them, they know probably aren't accurate. There are certain things that don't make sense. If the rail goes away, I am not going to raise my rate? We should help South America get market share? It is time to get this study done and finish it. Locks need to be replaced and not band-aided for another 50 years.

**Dick Nolan, Attorney:** The problem is that we are trying to predict something that is enormously variable for a 50-100 year period. Assessing and analyzing a range of possibilities is the way to go. One aspect that hasn't been mentioned is the role of the Midwest agriculture in the US and the world. In the future, we may find that the US needs to give to remain at peace. Right now, we are giving money, but we can give grain to the world.

