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UPPER MISSISSIPPI RIVER - ILLINOIS
WATERWAY SYSTEM NAVIGATION STUDY
U.S. ARMY CORPS OF ENGINEERS
PUBLIC MEETING

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LOCATION: Henry VIII Inn
St. Louis, Missouri

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TRANSCRIPT OF PUBLIC MEETING
MONDAY, JULY 26, 1999

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1 MONDAY, JULY 26, 1999

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3 Mr. Bill Wiedman presiding, the following
4 proceedings occurred:

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6 MR. WIEDMAN: As we move into the
7 third part of the evening, kind of a split part in
8 the sense that I've asked Gary and some of his
9 team to pick some key questions that have come out
10 of the group and respond to them. And then I'd
11 like to just open it up to questions from the
12 floor. And keep in mind that these are requests
13 for information or technical information, not a
14 rhetorical comment statement in the form of a
15 question. We have time for that as soon as we
16 finish this question and answer.

17 Those of you that are watching the
18 time, I'd like to see how it goes, maybe 30
19 minutes for the question and answer and then move
20 into at 9:00 the opportunity for you to make
21 statements.

22 We do have the court recorder here.
23 She will take down both the questions and the
24 information, the answers, and then also record the
25 statement part of it.

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1 And, Gary, I'll just turn it over to
2 you. First of all, thank you for being involved
3 in the small groups. I know we've got a lot of
4 information. One person talks for 5 minutes and
5 then you have another and 20 people later you've
6 used up well over an hour and a half and the other
7 people are just sitting.

8 MR. WIEDMAN: Okay, Gary.

9 MR. GARY LOSS: Okay. We're going to
10 try and cover some of the representative
11 questions. If there's some that we don't cover in
12 these Qs and As there will be an opportunity for
13 you to ask again. I'm looking for Rich Manguno.
14 I don't think he's in here yet.

15 The sheet back there which I've got a
16 copy of here also, "how will siltation problem be
17 solved, is money for siltation included in current
18 estimates, if siltation problem becomes bigger as
19 project proceeds where will money come from?"

20 I'm assuming that question assumes
21 we've got to do some dredging to put in these
22 larger locks.

23 The answer is no. The depth of the
24 river is the same as what it has been, it's a
25 9-foot channel. And we're just talking about

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1 extending the locks so they can lock through
2 quicker than what they do now.

3 Did I miss the point of that
4 question?

5 FROM THE AUDIENCE: Adjoining
6 siltation, adjoining to the project area, based on
7 the chart if I understood it correctly there is a
8 siltation problem adjoining the construction area.
9 How will you be coping with that?

10 MR. GARY LOSS: There's additional
11 siltation due to more traffic?

12 FROM THE AUDIENCE: Yes.

13 MR. GARY LOSS: That's what we're
14 trying to measure, that's what we're looking at.
15 Scott, you want to --

16 FROM THE AUDIENCE: Is that included
17 in the projection? Because you have the same
18 identical figures in plan C, D, E, F and G, the
19 same amounts of money for 2 areas at least.

20 MR. GARY LOSS: If that's a question,
21 the answer to that is that we've just got the
22 site-specific costs environmentally for those
23 alternatives. So if we're impacting a bottom land
24 forest or if we're impacting a mussel bed, that's
25 the cost that we showed up on the screen there.

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1 We're not addressing in those costs that we showed
2 there the additional sedimentation that would come
3 from that. We're still working on that.

4 FROM THE AUDIENCE: Will you be
5 addressing that?

6 MR. GARY LOSS: Yes.

7 FROM THE AUDIENCE: Because in the
8 past you have left that up to individual states
9 and states don't have that kind of money to solve
10 the problem.

11 MR. GARY LOSS: We are addressing
12 that. That is part of the EIS. We will be
13 looking at the costs involved with additional
14 sedimentation due to the additional traffic.

15 FROM THE AUDIENCE: Thank you.

16 MR. GARY LOSS: Yes. A question
17 here, "did the Corps build into their figures
18 increases in O&M?" Bobby Hughey, could you
19 address O&M and without project condition?

20 MR. HUGHEY: Yes, we did address
21 that. I don't know if you had a specific --
22 something very specific you were looking at. But
23 under without project condition we looked at the
24 increase in O&M over the next 50 years. So that
25 is incorporated into the analysis.

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1 FROM THE AUDIENCE: (inaudible)

2 MR. HUGHEY: The question is, if I
3 understand it, does the cost of O&M eventually get
4 to the point where it is more costly to operate
5 and maintain the existing locks than it is to
6 build a new one? The answer is no, it is not. We
7 have included the major rehab costs in there of
8 the existing locks as part of O&M costs without
9 new projects. And so the answer, I would have to
10 say no at this point.

11 MR. GARY LOSS: I've asked Rich to
12 look at the questions over here. "Does fuel tax
13 pay for the costs, is the Corps of Engineers
14 looking at the whole system? It's 50 years old,
15 even 60 years old."

16 Rich, do you want to address fuel tax
17 and who pays for the improvements if they're made?

18 CORPS REPRESENTATIVE: In the
19 modeling that we've done we do produce an estimate
20 of the fuel tax that's generated as a result of
21 the traffic that would come on line, increment of
22 traffic that would come on line, with the
23 improvements. Unfortunately, I can't recall off
24 the top of my head if the magnitude of that
25 revenue generated from the fuel tax is equivalent

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1 to the costs of construction. It's a number that
2 we can easily check and if someone has a specific
3 question they can get me on the side later or
4 however we want to handle this.

5 FROM THE AUDIENCE: Could you explain
6 the 50/50 cost split on the construction?

7 CORPS REPRESENTATIVE: New
8 construction is shared 50 percent from the general
9 revenues of the treasury and 50 percent from the
10 inland waterway trust fund which is financed by
11 the fuel tax.

12 MR. GARY LOSS: "How far inland from
13 the Mississippi or Illinois Rivers will
14 properties' streams be affected?"

15 Is that an environmental -- I don't
16 see any hands. That's one of the things we're
17 looking at, the cumulative impact studies that I
18 mentioned before in the slide presentation, is
19 addressing those kinds of things. There's a whole
20 lot of data available on that. I'm not sure
21 exactly what somebody is looking for there.

22 "Relative energy efficiency of rail
23 versus river."

24 Rich, you want to give the gee whiz
25 numbers on that?

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1 CORPS REPRESENTATIVE: When we do our
2 benefit estimating, the fuel costs of moving by
3 various modes is factored into the analysis.
4 We're not explicitly estimating or reporting the
5 relative efficiencies of the various modes.

6 However, we are looking at that
7 aspect as one piece of the larger question
8 regarding different aspects of alternative modes
9 of transportation from an emissions consideration
10 and an accidents and spills consideration. We've
11 not finished that analysis yet but it will include
12 estimates, general relative fuel efficiencies for
13 the various modes.

14 MR. GARY LOSS: One of the things
15 that Rich said is we're not finished yet. And I
16 think that's one of the concerns is that why don't
17 we have more of the answers. And I know I saw
18 some questions here, why did the study take so
19 long.

20 Recognize it's a six-year effort.
21 It's actually turning out to be a seven-year
22 effort. There's a lot of information, a lot of
23 things impacted. And we've been trying to get the
24 information to go along. There's been a lot of
25 model studies that have been done, economic and

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1 environmental, making sure we're going in the
2 right direction. It's just a massive effort and
3 we've got a lot of work ahead of us.

4 One of the questions down there was
5 when will the study be complete. December of 2000
6 is when basically the study team turns it over to
7 the Corps officials for further processing to
8 Congress. And we've got a lot of work between now
9 and then to get all that accomplished.

10 We would have liked to have had more
11 data for tonight on some of the environmental
12 things. But the fact of the matter is we don't.
13 We're sharing with you as much as we do have.
14 Again there's a lot more data than what I showed
15 up on the screen before.

16 "Do the benefits assessments include
17 beneficial price impacts for farmers and the
18 impact on lower government program costs for farm
19 programs?"

20 Rich, do you want to take a stab at
21 that one? That isn't yes or no.

22 CORPS REPRESENTATIVE: My answer was
23 no.

24 MR. GARY LOSS: I think in general
25 the benefits that we're seeing are to the price of

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1 the commodity overall. And the farmer is going to
2 benefit. The consumer is going to benefit. All
3 the people involved, if there's a lower cost for
4 shipping everyone benefits from that. The farmers
5 will share in that.

6 So, Rich, is that accurate?

7 CORPS REPRESENTATIVE: Yes.

8 MR. WIEDMAN: Gary, you want to take a
9 couple more? And then I'd like to take some from
10 the floor.

11 MR. GARY LOSS: Okay. I think Rich
12 addressed the BC analysis including the cost of
13 cleaning up spills.

14 "What would be the total cost to
15 restore the river to a natural state?"

16 If you measured that in dollars or
17 impact to the environment, it would be significant
18 in either case.

19 As we look at the costs of the O&M
20 that the Corps of Engineers puts in to maintain
21 the locks and dams versus the benefits that are
22 realized, it's almost a 6 to 1 ratio there for the
23 payback. So if we didn't have the lock and dam
24 system it would be a significant cost to the
25 Midwest.

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1 "Are we using standardized parts
2 considered in the cost estimate?"

3 I think that's a good question. The
4 engineering work group spent a lot of time and
5 effort working to try and come up with more
6 efficient ways of constructing the facilities,
7 doing it while the system is under traffic. The
8 lock extensions that I talked about earlier is
9 done because we've assumed that we can use 3
10 winter close-down periods to construct that lock
11 extension so we don't impact the navigation.

12 We've used float-in technology which
13 has been used overseas, not used a lot in the
14 United States. We checked on that. The Ohio
15 River folks are using it on their river right now.
16 And so we've saved quite a bit by using that
17 technology. So we can cast things off-site and
18 bring it into the location and actually put in the
19 whole miter gate section by floating it in and it
20 saves a lot of the construction time.

21 Bobby, do you have anything else to
22 add on the standardized question? Maybe that's
23 enough, Bill.

24 MR. WIEDMAN: Okay. Again I'd like
25 to open it up for questions right now for the next

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1 10 or 15 minutes, requests for information. Kevin
2 is going to pass the mike around or if this other
3 one is available to you, you can come to the
4 aisle.

5 You had a question in the back?
6 Anybody have a particular question, they need some
7 information or -- yes.

8 FROM THE AUDIENCE: My question is
9 are you taking into account the environmental
10 impacts between lock and dam 27 and New Orleans?

11 MR. WIEDEMAN: Okay.

12 MR. RICH ASTRACK: The system
13 environmental studies that we've done have only
14 considered a portion of the open river below St.
15 Louis, about a 70 to 80 mile stretch. So in terms
16 of environmental studies, no, we're not going down
17 to New Orleans.

18 FROM THE AUDIENCE: How is this
19 increased traffic going to get down there?

20 CORPS REPRESENTATIVE: How is the
21 increased traffic going to get to New Orleans?

22 FROM THE AUDIENCE: Yes. What are
23 you going to do, just ignore the impacts?

24 CORPS REPRESENTATIVE: No, but the
25 study was scoped from the very beginning to go to

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1 the mouth of the Ohio River.

2 FROM THE AUDIENCE: That's fine but
3 the boats go further. If you're going to increase
4 the traffic on the upper Mississippi, aren't you
5 also going to increase it on the lower?

6 CORPS REPRESENTATIVE: I presume that
7 we would but --

8 MR. WIEDEMAN: In terms of the
9 question I guess the answer is in this study
10 they're not examining past that point. Whether or
11 not the Corps is endeavoring to do that through
12 another study --

13 FROM THE AUDIENCE: Do you plan on
14 studying them or are you just going to pretend
15 they don't exist?

16 MR. WIEDMAN: I think we're moving
17 away from what we're after here. I think the
18 answer is no, they're not studying it below a
19 certain point.

20 FROM THE AUDIENCE: You have no plans
21 to?

22 CORPS REPRESENTATIVE: There are no
23 plans right now, no.

24 MR. WIEDMAN: Not within the scope of
25 this study is how I hear that. Other questions?

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1 MR. BURROUGHS: My name is Paul
2 Burroughs with the National Corn Growers. One
3 question I have, as you know, we've pointed out
4 many times that our major competitors, i.e.,
5 Argentina, Brazil, China, have been making great
6 progress in lowering their inland and ocean
7 freight costs for moving grain. To date you have
8 not taken this into consideration in your economic
9 models. How do you plan on addressing
10 international competition and how will this be
11 incorporated into your final decision?

12 MR. RICH ASTRACK: We do not
13 specifically address the notion of international
14 competition in the way that the benefits are
15 calculated. The way those considerations will be
16 factored into our process will be as we move or
17 consider those range of influences beyond what are
18 specifically quantified in what we call the NED
19 plan, the National Economic Development plan, the
20 plan that specifically maximizes the economic
21 parameters that go into that evaluation.

22 So, for instance, things like balance
23 of payment considerations, overall U.S standing
24 with consideration towards being a leader, world
25 leader in grain exports, those sorts of

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1 qualitative and somewhat quantified impacts will
2 go into the overall package of effects as we
3 ultimately decide on what the recommended plan
4 will be in this process.

5 MR. WIEDMAN: Another question here.
6 If you want to come up to that center mike it's
7 probably faster.

8 MR. STEPHEN SHERIDAN: Another
9 question I have, my name is Stephen Sheridan, I'm
10 with Marc 2000 PV Barge Lines and Roundwater
11 Towing. What is the basis of the assumption of no
12 change in rail rates for the 50 years of this
13 study?

14 MR. RICH ASTRACK: We devoted some
15 resources for this study to specifically address
16 that question, future rail rates. The first Corps
17 study, I think I'm safe in saying that, that has
18 ever specifically addressed this consideration.
19 We hired an independent consultant to specifically
20 analyze that effect.

21 The conclusion of that piece of work
22 was that capacity additions that may be needed on
23 rail could be accomplished without placing upward
24 pressure on the existing structure of rail rates.
25 So on the basis of that determination the study

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1 assumes that there is no increase in rail costs.

2 MR. STEPHEN SHERIDAN: Correct me if
3 I'm wrong, but I believe every rail group, people
4 that are in the rail business, certainly every
5 major trade group involved with the moving of any
6 kind of material on the river, totally dismisses
7 that as impossible. This isn't -- what I'm
8 bringing up isn't news, I mean this is brought up
9 before.

10 I don't know which consulting group
11 you used but they obviously didn't talk to the
12 industry about it. So I'm just wondering how they
13 came up with that idea. Because the industry will
14 tell them, whether it's rail or barge or bulk or
15 grain, that can't happen, that that's not reality.

16 MR. RICH ASTRACK: That particular
17 product, the analysis of the future rail prices, I
18 believe is one of the products that's on the home
19 page and you can go to that site and see that
20 analysis and what went into it and the assumptions
21 that it's based on.

22 MR. STEPHEN SHERIDAN: Okay.

23 MR. WIEDMAN: Other questions
24 specifically? Shoot, go ahead.

25 MR. JACK NORMAN: Jack Norman, Sierra

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1 Club. Will the study have been interested in any
2 questions of equity, that is, in the distribution
3 of costs and the distribution of benefits?

4 MR. WIEDMAN: Who is going to field
5 that over there?

6 MR. RICH ASTRACK: Well, I'll do my
7 best to try and answer this question. Economics
8 generally addresses the notion of efficiency.
9 It's a different question than the one you've
10 raised which is the equity question. And in our
11 benefit cost calculations I would say that we
12 stick pretty strictly to the notion of efficiency
13 in trying to identify benefits and costs that go
14 into the analysis.

15 So with regard to the question of
16 equity, generally we don't care about, for the
17 purposes of the benefit/cost calculation, where
18 the incidence of benefit ultimately winds up or
19 where or who is paying the costs. It's strictly
20 an efficiency question, not an equity question.

21 MR. WIEDMAN: Okay. Any other
22 specific questions? Yes, ma'am.

23 MS. KATHY ANDREA: Kathy Andrea.
24 There were a couple questions asked I noticed that
25 didn't get answered. I'm wondering in the 6 to 1

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1 benefits that you're talking about, do you
2 increase costs to the communities, increase spill
3 costs, which was one of the questions that you
4 didn't answer, increase costs to communities
5 adjacent to locks and dams that are going to be
6 expanded, loss of housing, more road costs to get
7 these -- to transport the material to the areas,
8 erosion of the increased traffic on the local
9 dam -- I mean the levees. Are those all -- or are
10 you just concentrating on something that's going
11 to make the economy along the river, the barges
12 and the rail, is that what this is limited to?
13 Are you taking into account any of the other costs
14 that are involved, especially the negative costs
15 to communities?

16 MR. WIEDMAN: You want to get that,
17 Gary? I know that's EIS.

18 MR. GARY LOSS: Let me take a stab at
19 that. When you talk about loss of housing and
20 things like that that are site-specific to an
21 area, whenever we have a federal project and we go
22 in and we impact a residential area or a park or
23 something like that, part of the process is that
24 we have to go in and we have to mitigate that.

25 The site-specific mitigation process

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1 I showed before tried to address that at a
2 feasibility level. As we get into more detailed
3 design we'll be getting into a lot of these
4 details a whole lot more than we have to date. If
5 and when we decide we should build a guide walk
6 extension at any location, we'll have to look at
7 what's impacted by that with a detailed design and
8 if it's a relocation that's involved for housing
9 we have to relocate the family to another
10 location. There's a federal law that covers that,
11 those types of things.

12 Increased erosion, there's a lot of
13 what we talked about as far as looking at that
14 both on a site-specific basis if there's -- let's
15 just say we extend the guide wall and that puts us
16 up close to a river bank, we know the prop wash is
17 going to be eroding that levee in that location,
18 so we'll have to go in and we'll have to ripwrap
19 that bank there so we don't wash that levee out,
20 those types of things.

21 Of course we're looking at the system
22 effects. Also as we increase traffic we have to
23 remember there's more tows each day, what impact
24 does that cause. That's what we're trying to
25 address and quantify, how much more sediment is

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1 there, how much more bank erosion is there. And
2 then we will have mitigation plans accordingly to
3 address those things.

4 Does that answer most of what you
5 asked or is there something else I missed there?
6 Yes, sort of?

7 FROM THE AUDIENCE: What about
8 accidents and spills?

9 MR. GARY LOSS: Accidents and spills.
10 Rich mentioned that before. We don't have all
11 those numbers yet but that is part of the analysis
12 that we'll be considering. Rich, do you want to
13 say any more on that?

14 MR. RICH ASTRACK: If the question
15 was specifically with respect to operating and
16 maintaining the existing system, I believe the
17 numbers that we're using for that O&M do not
18 include the costs of accidents and spills.

19 MR. GARY LOSS: But the incremental
20 is a reduction? One mode versus the other?

21 MR. RICH ASTRACK: We're talking now
22 about maintaining the existing system, aren't we?
23 Or am I off the --

24 MR. WIEDMAN: Or are you asking about
25 some of the future potential solutions or are you

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1 asking existing conditions now?

2 FROM THE AUDIENCE: This lady's point
3 was more traffic will cause more spills and
4 accidents.

5 MR. WIEDMAN: So the threat of it or
6 the potential.

7 MS. KATHY ANDREA: When you talk
8 about 6 to 1, I'm wondering what all is included.
9 When you start putting in some of the negatives we
10 have not considered that cost. Don't we have to
11 lower that cost/benefit ratio?

12 MR. RICH ASTRACK: The 6 to 1 that
13 Gary referred to earlier in the evening I believe
14 is the approximate benefit/cost ratio of operating
15 and maintaining the existing system, exclusively
16 the existing system, no increments to traffic as a
17 result of any of the measures that you've seen
18 here tonight. And in that benefit/cost ratio it
19 does not include the costs of accidents or spills.

20 FROM THE AUDIENCE: Why not?
21 Shouldn't that be filtered in or is that because
22 it's not your costs?

23 MR. RICH ASTRACK: It's generally not
24 a federal cost.

25 FROM THE AUDIENCE: I can address

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1 that. That's borne by the commercial carrier. If
2 there's a spill of any kind or a collision or
3 whatever, that's borne by the commercial carrier.

4 FROM THE AUDIENCE: What about those
5 that are known that get into the water system or a
6 cost to a community, extra cleanup along the way?

7 FROM THE AUDIENCE: You'd have to
8 state some specific cases. I'm not aware of that.
9 Just for everyone to be aware, commercial carriers
10 operate under something called Open 90. That came
11 out of the Congress after the Exxon Valdez crash
12 in Alaska. If you're a commercial carrier you
13 bear the costs of any kind of spill of a pollutant
14 into the water system. It can be as small as that
15 cup of water on that desk, if that was a cup of
16 petroleum, if we were on a ship and that gentleman
17 accidentally spilled that cup of approximately 8
18 ounces of diesel fuel he's drinking right now,
19 that would have to be reported immediately --
20 first of all, it has to be reported immediately to
21 the government. If it isn't reported immediately
22 it's a \$25,000 mandatory fine. And if that were a
23 styrofoam cup he'd also be fined for having a
24 styrofoam cup on a commercial vessel because
25 that's not allowed either. So there's some very

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1 strict environmental laws that have been in place
2 for 10 years concerning spills and things like
3 that.

4 MR. WIEDMAN: Thanks. That was
5 helpful. We have a question in the back.

6 MR. BILL REDDING: Bill Redding,
7 Midwest regional representative, Madison,
8 Wisconsin. I'm concerned, Kathy, about water
9 quality. For a year and a half I haven't seen
10 this appear anywhere in the modeling or anything.
11 So the water is going to be okay? We're going to
12 do all these things and we won't have any
13 problems?

14 MR. WIEDMAN: Now you're asking
15 whether the water quality --

16 FROM THE AUDIENCE: Where does the
17 water quality fit in this scenario? I guess
18 that's it.

19 MR. WIEDMAN: Okay.

20 MR. ASTRACK: Again the study -- the
21 environmental studies were never designed to look
22 at water quality or air quality for that matter.
23 Both of those are -- for one thing, they're
24 regulated by different agencies, typically by
25 state agencies. And again in terms of water

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1 quality from spills, that's another part of the
2 study. I'm not -- do you mean water quality in
3 terms of some kind of emissions from tows or --

4 MR. REDDING: What did you say?

5 MR. RICH ASTRACK: When you talk
6 about water quality are you talking about some
7 kind of emissions or pollutants that are coming
8 from traffic?

9 FROM THE AUDIENCE: I'm just talking
10 about the scenario that we make mistakes, and
11 they're all honest mistakes, on the river and the
12 water quality...(inaudible). Because the last
13 flash flood we had, water quality -- I know this
14 isn't the primary responsibility of the Corps of
15 Engineers, but as the agency here I would imagine
16 that this would be considered to be included in
17 the overall plan.

18 MR. RICH ASTRACK: Well, the
19 environmental studies were charged with looking at
20 what impacts could be caused by an incremental
21 increase in traffic going up and down the river
22 and we didn't feel that water quality was an issue
23 that was due to traffic going up and down the
24 river.

25 MR. WIEDMAN: So within the

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1 parameters of this study that was not an issue,
2 okay. And there was another question here. And
3 then shortly I'd like to move into those of you
4 that would like to make statements I need to kind
5 of assess to see how many of you want to do that
6 in a moment. Go ahead.

7 FROM THE AUDIENCE: I just wanted to
8 follow up. Rich, you said that the study was also
9 not addressing air quality. And I guess my
10 question then is why did the study do at least an
11 initial draft that did address the issue of air
12 emissions cleanup of that nature if traffic were
13 to shift from water to truck or rail. How does
14 that fit into the study process --

15 CORPS REPRESENTATIVE: I guess I
16 meant we weren't looking at air quality in terms
17 of emissions from tows.

18 FROM THE AUDIENCE: -- as a
19 determining factor in the program? But is that
20 going to be considered within the environmental
21 impact process?

22 MR. RICH ASTRACK: Yes, I mean the
23 alternative mode studies that Rich referred to, I
24 mean the results will be factored in as part of
25 the environmental impact statement, the results

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1 will be included there.

2 FROM THE AUDIENCE: Okay, that was my
3 question. It's kind of the flip side to what's
4 been asked, and that is, if you were to shift it
5 off the river what's the impact to society. Which
6 I think is part of the cost/benefits also of
7 whether or not you move forward with the federal
8 project on the river system.

9 MR. WIEDMAN: Okay. Any other
10 questions?

11 MR. DOUG WILSON: My name is Doug
12 Wilson. I'm president of the Illinois Corn
13 Growers Association. I want to ask a couple
14 questions which it seems to be the poor sister of
15 the group which is indeed the Illinois River and
16 the 2 locks at LaGrange and at Peoria.

17 I wonder if talking on the yearly
18 average, wickets up, wickets down, if that factor
19 does indeed reflect that when the wickets are up,
20 in other words, the low water tables and the
21 congestion that comes with that, in an appropriate
22 amount as to the travel time or as into the total
23 flow. If you're talking by months -- and I know
24 you said the percentage is 40 or 50 percent of the
25 year wickets are up or down --

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1 MR. GARY LOSS: Wickets are down 40
2 percent of the year.

3 FROM THE AUDIENCE: So it's
4 free-flowing. So, in other words, we've got 50 to
5 60 with wickets up. And I would assume that also
6 coincides with lower water tables, also when
7 there's more grain movement coinciding with
8 harvest and other things like that.

9 In taking a twelve-month running
10 average, as opposed to the real congestion issues
11 which are when the wickets are up, are you
12 reflecting that?

13 Then along that line, with the
14 situation of becoming more rail dependent, in
15 addition to rail costs you also have a wider basis
16 which is a lower cost or lower price for grain,
17 you have increased storage costs because of not
18 being able to move the grain as quickly. And so
19 those are other economic factors that should be
20 factored in.

21 And then, finally, I know that a lot
22 of your economic information as far as farming
23 comes from Iowa. However, Illinois has over 40
24 percent of its corn exported. Iowa is the largest
25 corn exporting state in the nation. So because of

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1 our higher amount of export, our declining numbers
2 of livestock, which in the last quarter we lost
3 over 20 percent of our breeding stock due to the
4 depressed hog prices, we are become more and more
5 export oriented.

6 MR. WIEDMAN: I'm wondering where the
7 question is.

8 FROM THE AUDIENCE: The question is,
9 based on the things that I've just brought up are
10 you really giving Illinois its factor since the
11 Illinois River is the main basis for moving out or
12 are you using data from outside sources which may
13 not truly reflect Illinois needs?

14 MR. RICH ASTRACK: There were a
15 couple questions in there that I picked up at
16 least. The first one specifically had to do with
17 wickets up, wickets down. The terminology that
18 we've been using here is open pass, not open pass.
19 Open pass meaning it's a free-flow situation where
20 tows can move through the structure without having
21 to operate it as a lock.

22 We have explicitly included that in
23 the analysis using the process of tons
24 specifically associated with the waterway being in
25 either of those two conditions. So that is

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1 explicitly accounted for in the analysis.

2 FROM THE AUDIENCE: Historically does
3 50 percent of the grain move in each condition or
4 is there a higher percentage of grain movement in
5 one or the other condition?

6 MR. RICH ASTRACK: There is a slight
7 seasonality in the traffic. It does not appear to
8 be correlated with whether or not you're in an
9 open pass situation or not.

10 MR. WIEDMAN: I heard the other
11 question to be your source of figures, is it out
12 of Illinois or Iowa.

13 MR. RICH ASTRACK: Right. In trying
14 to construct the way individual commodity
15 movements respond to a change in the costs of
16 water transportation, we've relied on information
17 that is Iowa based for one aspect of the analysis.
18 Now it's an important aspect. But it is really
19 just one aspect. And that is distances that grain
20 has to travel in order to get to a water loading
21 point at the river. That distribution of
22 distances that we obtained from Iowa has been
23 applied to the Illinois traffic specifically.

24 Now all other information about the
25 movements, the tonnage, the relative costs of

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1 moving by water versus rail, all of that is
2 geographically specific to the particular region.

3 Now to address the sensitivity of
4 that assumption, specifically using the
5 distribution of Iowa distances, we are evaluating
6 the potential improvements on the Illinois
7 waterway using some fairly different assumptions
8 to test that sensitivity and that will be part of
9 the analysis.

10 MR. WIEDMAN: Okay. Thanks. I guess
11 what I'd like to do now is to move more into the
12 statement focus. It sounds like some of these are
13 becoming elongated questions. So to get an idea
14 of how we use our time, how many of you want to
15 make a more formal statement or a position you've
16 presented? Okay. What I'd like to suggest is
17 that we take 3 to 5 minutes each of you to
18 present, to summarize. We don't have a sign-up
19 sheet. I'll try to watch as we go. We will need
20 a mike to make sure before you start that you will
21 have the opportunity to be heard. So somebody
22 over in here, I guess the commercial -- or the
23 gentleman in the blue shirt is fine.

24 MR. GREGORY GUNTHER: I only have
25 about 15 pages. Okay. Jack says hurry up and

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1 he's standing behind me. My name is Gregory
2 Gunther and I'm a farmer just east of Belleville
3 across the river here.

4 100 percent of what I grow and
5 produce goes down the river. Now I don't have a
6 personal stake in improvements on the upper
7 Mississippi because we're located below lock and
8 dam 27 and it's a straight shot to the Gulf for
9 me. But I do recognize the importance of a
10 viable, economically efficient river system to our
11 entire economy.

12 Now we don't make any bones at all
13 about the fact that agriculture is the single
14 largest user of the Mississippi River system. We
15 don't. And there's been a lot of questions and
16 comments made about subsidized transportation one
17 mode over another. The fact of the matter is that
18 we subsidize a lot of things in this country. The
19 question is does that subsidy reduce your cost of
20 living more than the value of the subsidy. And I
21 would say that it's been pretty significantly
22 proven over the years that the answer to that
23 question is yes.

24 Gasoline is one example. Costs us on
25 the average about 10 cents a gallon less at the

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1 pump because of the competition provided by the
2 river system. That's just one example.

3 The other thing that you need to take
4 into consideration -- and I know you're not
5 allowed to do that in your study -- but is the
6 effects of our foreign competition on our
7 competitive advantage in this global economy that
8 the world is in today.

9 I've been to South America, I spent
10 about 10 days in the Rosario and Santa Fe
11 provinces of Argentina. That's their major corn
12 growing area down there. And I have friends that
13 have been into Brazil and into that area too. And
14 I am telling you today, folks, that they're not
15 worrying about costs, they're not worrying about
16 environmental benefits, they're not worrying about
17 environmental costs. They are improving their
18 river transportation infrastructure because they
19 know that is the single key to growing their
20 country's economy.

21 And in Brazil and Argentina, ACBL,
22 one of our bigger barge lines, is operating tow
23 boats on a 1500 mile stretch of river down there
24 with no locks. You cannot begin to imagine the
25 financial advantage and the economic advantage

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1 that that gives those folks.

2 If we do not do what we need to do,
3 upgrade our river system, our agricultural
4 competitive edge in this world, which is eroding
5 as we sit here discussing these issues, is going
6 to get lost beyond recovery.

7 Currently because of the advantages
8 that they have in South America, we are locked out
9 of the world soybean market for 6 months out of
10 the year. Corn isn't far behind that.

11 Now what I've seen from the study and
12 what I've heard other folks who study this issue
13 say is that the environmental impacts are not
14 unmanageable, that they're relatively
15 site-specific and they're not system-wide
16 concerns.

17 So, yes, there are going to be some
18 things that need to be done. I think we can
19 afford to do it. I think we can do it and do it
20 well. The Corps has an outstanding record on
21 environmental mitigation and improvement of
22 habitat. I don't think we need to allow that to
23 put our economy in the dumpster because of a
24 concern for some things that we can take care of.

25 I've been working on this issue for

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1 over 7 years. I've been to DC and when I'm in DC
2 when it's appropriate I lobby for the WRDA
3 (phonetic spelling), for the environmental EMP
4 money. I don't see many of the environmental
5 groups out there working on WRDA 99 when I was out
6 there when it was coming up for a vote. But
7 agriculture was pushing for that environmental
8 money so the impacts that we have can get
9 corrected.

10 This has got to be a team effort. We
11 need to come up with a reasonable plan, something
12 that can be supported. And all of these vague
13 fears and concerns, if they can't be
14 substantiated, we need to put them behind us and
15 let's move forward.

16 MR. WIEDMAN: One minute.

17 MR. GREGORY GUNTHER: I'm done.

18 Thank you very much for your time, sir.

19 MR. WIEDMAN: Someone over here on
20 the other side that wanted to make a comment?
21 Go ahead.

22 MR. SHERIDAN: Like I said earlier,
23 my name is Stephen Sheridan. I'm the president of
24 PV Barge Lines, Roundwater Towing, and I'm
25 Chairman of the Board of Directors for Marc 2000.

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1 By the way, let me add, Mr. Gunther,
2 you did a fine job. You touched very significant,
3 important trade issues that affect everyone in the
4 upper Midwest and it couldn't have been said
5 better.

6 An issue I'd like to bring up is the
7 fact that by study and comparisons, barge
8 transportation, the inland movement of bulk
9 commodities, is by far the safest transportation
10 mode in the U.S. Due to the change in laws
11 concerning trucking, what the United States is
12 facing right now is a rapid growth in the number
13 of over the road trucks in the United States.

14 Approximately -- and this would
15 include cars and trucks -- approximately 40,000
16 people a year die on our highways. Approximately
17 1200 people a year die in railroad related
18 problems or accidents. And somewhere between 5
19 and 30 people a year die on the rivers, navigable
20 rivers, because of an accident concerning
21 commercial transportation.

22 So my point is this, we know it's the
23 most efficient. We can quote studies from the
24 U.S. Department of Transportation concerning
25 efficiencies. We can quote the EPA on the smaller

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1 amount of emissions caused by a towboat versus
2 trucks or trail.

3 I'm wondering in this study was there
4 a value put on human life. Because there's no
5 comparison between the numbers of fatalities that
6 we see year in and year out on the highway,
7 involved with railroads, and on the inland river
8 system. So here we have a tremendous benefit to
9 human life in the United States and I'm just
10 wondering if this was looked at all in this study.
11 Thank you.

12 MR. WIEDMAN: Thank you, Stephen.
13 Next.

14 MR. MURRAY GERARD: I'm Murray Gerard
15 with the Illinois Grain and Feed Association. I'd
16 like to make the following comments: The Grain
17 and Feed Association of Illinois supports the
18 seven 1200 foot lock option 20 through 25 on the
19 Mississippi River and LaGrange and Peoria on the
20 Illinois River, along with 1200 foot guide wall
21 extensions 14 through 18 on the Mississippi River.

22 My first point is the Chicago Board
23 of Trade will shift the delivery point for its
24 corn and soybeans contracts from Chicago and
25 Toledo to the Illinois River beginning in the year

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1 2000. The Illinois River was determined to be the
2 best outlet to access the export market via the
3 Gulf and provide routes to domestic markets. The
4 success of this shift is dependent upon the
5 Illinois waterway to handle current and projected
6 traffic. The need for efficient locks is
7 critical.

8 Recent studies show that the demand
9 for barges remains constant even though there are
10 major changes in barge rates. This low elasticity
11 is a major benefit to the nation in that barge
12 transportation is recognized as the most
13 environmentally friendly, most economical, and the
14 safest means of moving bulk commodities.

15 Also in estimating the barge demand
16 on the Illinois River, the State of Illinois
17 Economic Coordinating Committee strongly objects
18 to the exclusive use of Iowa data.

19 The Corps has reported an average
20 delay of 6 hours per tow in moving through lock
21 25. However, an average delay has little
22 significance when tows are waiting 6 days during
23 peak export times. The upper Mississippi River
24 system handles 66 percent of all grain exports.
25 We cannot afford to lose the export market due to

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1 the fact that we cannot get our products to
2 market.

3 The fuel tax that is paid by
4 commercial navigation is to be used for
5 improvements on the nation's waterway system. 40
6 percent of the money in the trust fund has come
7 from the upper Mississippi region, which has only
8 received 15 percent of the money for improvements.
9 The money in the trust fund needs to be used to
10 the benefit of our nation's economy.

11 Historically, for every dollar invested in our
12 inland waterway system, the nation has received a
13 \$6 benefit.

14 5 billion dollars worth of Illinois
15 agriculture products, mostly corn and soybeans for
16 export, use the river to get to market. Illinois
17 consumers rely on the river to move another 8
18 million dollars worth of products.

19 Navigation, flood protection,
20 environmental restoration, water supply and other
21 civil works programs serve the country in
22 countless ways, providing benefits far beyond
23 their actual costs due to taxpayers. These
24 programs deserve funding that meets the nation's
25 growing water resources needs. Thank you.

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1 MR. WIEDMAN: Thank you. And let me
2 remind you that if you've come with a prepared
3 statement please see that the Corps gets a copy of
4 it as part of the information gathered tonight.
5 Someone else?

6 MR. BOB GOODWIN: My name is Bob
7 Goodwin. I'm with the Maritime Administration
8 which is an agency of the U.S. Department of
9 Transportation. The Maritime Administration is
10 involved in the study and concerned about the
11 outcome of the study because the aim and goal of
12 the Maritime Administration is to make sure that
13 we have a viable grain transportation both inland
14 and blue water.

15 When we got involved in the study we
16 were looking at a transportation system that was
17 50 years old in the upper Mississippi and Illinois
18 River. When you see a transportation
19 infrastructure that old, and you see the problems
20 that the Corps has in maintaining and getting the
21 funds from Congress to maintain and to keep up a
22 system that that's old, you recognize that
23 something has to be done and has to be done in the
24 near future.

25 We became involved in the study very

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1 optimistically hoping that the information that
2 was developed as a part of the study would be so
3 definitive that the answers that came out -- or
4 the questions that would be asked in the study
5 would be obvious. Unfortunately, the premise for
6 some of the projections for the grain, the cargo
7 projections, as well as some of the environmental
8 issues, have become clouded over the last 5 years.

9 There's still some time left in the
10 next year to redefine the issues that we're
11 looking at in this study. As part of the
12 Department of Transportation we're going to be
13 working closely with the Corps to help try to
14 define some of those issues and define ways to
15 answer those issues and get something out of the
16 study that will be suitable for all those who have
17 been involved because this is such an important
18 issue for the nation.

19 We're going to be developing a
20 specific paper that we'll submit to the Corps with
21 our observations and recommendations. As it
22 stands right now that will be submitted in the
23 near future. But we would again urge the Corps to
24 go back, look at the questions that are raised in
25 these next 6 sessions as well as this one tonight,

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1 and try to redefine the issues and answer those
2 within the next year in a way that will not be
3 subject to interpretation by Congress. Thank you.

4 MR. WIEDMAN: Thank you, Bob.

5 MR. JACK HEINZ: My name is Jack
6 Heinz. I'm with the Missouri Department of
7 Transportation. I'd like to comment if I may on
8 where the additional capacity -- or ask the
9 question where the additional capacity would come
10 from if cargoes were diverted off the river system
11 to alternative modes of transportation.

12 We know today that the motor carrier
13 industry can't find people to drive their trucks,
14 that the business is that good. We know today
15 that our highways are quite congested. We know
16 here in the State of Missouri we have 32,000 miles
17 of highway that we're trying to maintain and we're
18 having a difficult time finding the funds to
19 maintain our highway system. Looking at expansion
20 of the highway system is almost an impossibility
21 today.

22 The environmental concerns, the costs
23 concerns, the issue of additional trucks going
24 through our urban centers, if this cargo moved off
25 the river to trucks from Iowa, Minnesota, even

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1 parts of Illinois, would pass through the State of
2 Missouri and we'd have to provide additional
3 capacity on our roads. And I don't think we're in
4 a position today to do that.

5 With regards to the railroads, today
6 the railroads cannot find qualified engineers to
7 operate their locomotives. Trains are going what
8 they call dead in the middle of their runs because
9 the crews run out of hours that they're required
10 to adhere to under the Federal Railroad
11 Administration regulations. The railroads today
12 are merging and it's causing traffic congestion
13 not only in the outlying areas but more -- also in
14 the urban areas, a very serious problem in the
15 urban areas.

16 So I think my comment and my question
17 to the Corps of Engineers is have they identified
18 where this additional capacity would come from if
19 there was to be a modal shift of cargo.

20 MR. WIEDMAN: Okay. Thank you, Jack.

21 MR. TIM ROBINSON: My name is Tim
22 Robinson. I'm current chairman of RIAC, of River
23 Industry Action Committee. And I just wanted to
24 say that RIAC has consisted of a number of
25 operational people, most of them from major towing

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1 companies that operate on the inland river system
2 today.

3 Basically we just want to make the
4 point that we support 1200 foot lock chambers as
5 being the safest and most efficient way or mode of
6 improvement for the future. And basically we feel
7 that the other alternatives of 1200 foot for
8 chambers, the mooring cells and mooring devices,
9 are all fine but they're all less than what we
10 feel is optimal. Optimal we feel is 1200 foot
11 lock chambers. The rest of these things can be in
12 support of that but I think we feel that 1200 foot
13 chambers is really the only way to go.

14 MR. WIEDMAN: Thank you. I might
15 make a procedural announcement here. If you
16 notice in your packet one of the last sheets you
17 had was a survey, kind of a questionnaire on how
18 the meeting went. I know some of you have drifted
19 on out. On the way out if you'd fill those out
20 and just drop them at the desk as you choose to
21 leave or at the end of the meeting, we'd
22 appreciate it so we can do some adjusting.

23 MR. DOUG WILSON: As I said earlier,
24 my name is Doug Wilson but I should state that I
25 am a farmer because that is what puts food on the

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1 table for myself and my family.

2 A few comments about the need for the
3 expansion of the 7 locks and dams on the Illinois
4 and the Mississippi River. Exports and the
5 ability to reach foreign and domestic markets via
6 the upper Mississippi and Illinois River remain
7 critical to the future health of U.S.
8 agriculture. 60 percent of the bulk ag exports
9 are moved into the world market via use of the
10 Illinois and upper Mississippi Rivers. The
11 Illinois is particularly important. As I stated
12 earlier, over 40 percent of the corn we grow goes
13 into export market. While we have continued
14 growth in industrial usage, our livestock numbers
15 are being relocated to other parts of the.
16 country. We've lost over 20 percent of our
17 breeding stock in Illinois. We were already
18 exporting more corn domestically to feed livestock
19 in other states than we were in Illinois, and that
20 number is going to continue to decline which adds
21 further need for additional markets because of our
22 location with the three rivers.

23 For Illinois and the U.S. to have a
24 competitive advantage over its foreign competitors
25 we need to have an efficient means of transporting

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1 grain. South American and China have already made
2 major investments in improving their
3 transportation systems. Technologically wise they
4 are getting improved seed, chemical and other
5 technologies that close the gap of our
6 efficiencies. We need to be able to compete with
7 them on transportation means as well.

8 This year we will reach 2 billion
9 bushel in corn exports. The potential is with
10 higher levels of input by the U.S. government, the
11 USDA working to produce more trade options. We
12 believe that perhaps in the following year we
13 could maybe reach 2 and a half billion bushels of
14 corn exports. Which would indeed be a record. I
15 don't believe that the Corps studies probably have
16 a projection angle that steep, but it is a matter
17 of production does move grain faster because world
18 markets come to our door.

19 Another area of potential new growth
20 that's just come to the forefront is ethanol in
21 California. With the Governor banning MTBE which
22 is a toxic, groundwater-poisoning fuel additive,
23 ethanol has a chance to replace that market.
24 Movement of ethanol via barge is very much a
25 viable way. Railroad cannot cover the needs of

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1 the gallons that would be needed. The Midwest is
2 positioned very well with the ethanol-producing
3 plants that we have to fill that market and help
4 California improve their air quality.

5 Failure to address these issues at
6 this time will most likely doom family farmers to
7 limited markets and a greater risk of failure will
8 be likely. Increases in exports both foreign and
9 domestic are a window of opportunity for U.S.
10 farmers that could close if we do not have a
11 competitive system to move our products.

12 Finally, rail systems cannot address
13 the shortfalls in our waterway system. Indeed,
14 right now they cannot meet the current demand for
15 their traditional markets. I live 50 miles from
16 the Illinois River. My main artery is the rail
17 systems. We're looking, as I said earlier, at
18 poorer bases, higher costs in storage and a lower
19 efficiency. Given additional push upon the rail
20 system, they cannot meet the demands that we have
21 as they are today, and I have no reason to believe
22 that they will be able to pick up the slack if our
23 waterways would be transferred away. Thank you.

24 MR. WIEDMAN: Thank you. Ma'am.

25 FROM THE AUDIENCE: I'd like to

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1 suggest that in order to achieve the greatest
2 efficiency, a good idea is to rely on the free
3 market system, taking into account all of the
4 impacts of something, including the impacts, you
5 know, the non, not normally market impacts. And
6 that one of the ways to improve the market is to
7 take away subsidies.

8 So I'd like to suggest that the
9 operating and maintenance costs of barge traffic
10 be covered by those who benefit from it and that
11 this be a beginning for doing the same thing with
12 all of the modes of transport so that we can
13 really see more accurately where the efficiencies
14 are in the economy. So I would just like to
15 suggest that O&M be covered by the fuel taxes.

16 MR. WIEDMAN: Okay. Thank you.

17 MR. CHRIS BRESHNA (phonetic
18 spelling): My name is Chris Breshna. I'm
19 president of Marc 2000.

20 I'd first like to make some technical
21 points for the record. Marc 2000 is an
22 organization that does support the 7-lock
23 alternative. That would provide for five 1200
24 foot locks on the Mississippi at 20 through 25,
25 two 1200 foot locks at LaGrange and Peoria, and 5

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1 guide wall extensions, along with any other needed
2 mooring cells or buoys as they might be
3 appropriate.

4 We make that statement based on the
5 information that's been provided to us to date.
6 However, we believe that the technical
7 substantiation for the benefits and costs that
8 have been provided are not complete, need to be
9 adjusted, the elasticities of demand that are
10 being used are too large on both the upper
11 Mississippi and the Illinois River. They need to
12 be differentiated. They currently are not.

13 We also believe that the concept of
14 the maximum willingness to pay, which is a factor
15 in determining benefits, is erroneous. And that's
16 already been mentioned with respect to what
17 happens with rail rates as they move in tandem
18 with water rates.

19 We also believe that the reliance on
20 the midline growth curve is conservative and puts
21 us at risk in terms of potentially having
22 infrastructure in place to meet market demand
23 growth, especially in grain, which does not grow
24 on a linear curve but grows in peaks and valleys
25 as it always has.

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1 If these adjustments are made to the
2 assumptions, we would then request that the Corps
3 of Engineers consider a 12-lock option and
4 determine whether or not it's economically
5 justified for 10 locks on the Upper Mississippi at
6 locations 20 through 25, 14 through 18, and 2
7 locks on the Illinois River.

8 We believe that with the type of
9 economic assumption changes that the justification
10 of the lock modernization on the Illinois River
11 would rise dramatically. And that, in fact, the
12 net annual benefits that would accrue to either a
13 12-lock option or the 7-lock option would be much
14 higher than they currently are in today's
15 standings.

16 A couple other comments. First, this
17 is a river system that benefits a lot of people.
18 It's a river system that supports over 400,000
19 jobs in the economy, including 90,000 industry,
20 manufacturing jobs, not only agricultural jobs.
21 And I think it's important to recognize that the
22 majority of the jobs that are benefited have
23 absolutely nothing to do with river
24 transportation, the production of the materials,
25 the movement of the materials or the consumption

0050

1 of the materials.

2 They, in fact, have to do with our
3 very basic market system that we have and how
4 money works its way through the system. It's
5 called a ripple effect. These aren't our figures.
6 These are figures that were developed by an
7 independent accounting firm named PricewaterHouse.

8 So when you start asking us to rely
9 on the free market system, many of us are very
10 much committed to the free market system, but the
11 free market system does not operate in isolation
12 of government activity. And unless you have a
13 pure free market system, you cannot expect to
14 compete, which is one of the problems that we have
15 in world markets in competing with other
16 countries. So if you're going to ask those who
17 benefit from the system to pay for it, then we
18 need to make sure that the hunting industry pays
19 for the benefits that accrue to them for a lock
20 and dam system, the fishing industry, the
21 recreational boating, hydroelectric power,
22 municipalities that have a reliable water supply
23 and so forth.

24 MR. WIEDMAN: One minute.

25 MR. BRESHNA: This is an investment

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1 in the region and it's an investment that we all
2 benefit from. In terms of funding, the dollars
3 are available to move forward with this type of
4 project. There's a surplus in the Inland Waterway
5 Trust Fund. And with the dollars that would come
6 in on an annual basis, there's sufficient dollars
7 to take care of these needs within the 12 to 15
8 years.

9 And, finally, I think it's important
10 that we all support a balanced view of the river.
11 Marc 2000 certainly does support the economic
12 needs of the river. But it also supports the
13 environmental management program and the needs
14 there. It supports mitigation for any future
15 legislation that would be put forward. It also
16 supports and has participated in the upper
17 Mississippi River summits to address a lot of the
18 environmental needs, as have many other
19 organizations. And that we envision a system
20 that's used extensively, not only for navigation,
21 but for recreation, tourism, and nature in and of
22 itself. Thank you.

23 MR. WIEDMAN: Okay. Thanks, Chris.

24 MR. JIM LEBEE (phonetic spelling): My
25 name is Jim LeBee. I'm director of engineering

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1 for Tri-City Regional Port which is located in
2 Granite City just above lock 27. We're an inland
3 port. And our duty as an inland port is to create
4 jobs. So the jobs that everyone sort of alludes
5 to, some of those jobs reside in our port.
6 Without the inland waterway system there are 350
7 people directly employed by our port that would
8 not have a job there today. There would be
9 another 1100 people that are indirectly affected
10 by the people who work at our port but work in the
11 region around our port.

12 The Port District strongly supports
13 the construction of the extensions to the locks to
14 make them 1200 feet both on the Mississippi River
15 and the Illinois River and the extension of the
16 guide walls to support those lock extensions.

17 We would like to encourage the Corps
18 of Engineers to not stop with this study, but to
19 look further, look at our aging system and come up
20 with a plan to improve the system from one end to
21 the other so that we extend the useful life of our
22 system into the future. We think it's vital that
23 this be done to keep our competitive advantage in
24 the world marketplace, for not only agriproducts
25 but other products as well.

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1 We've already seen the competitive
2 effects of materials, agrimaterials coming from
3 South America. That's going to continue to
4 escalate as they improve their waterway system.
5 And if we let our waterway system degrade, we will
6 become the disadvantaged third world country as
7 the price point for grains and other commodities
8 are placed not in this country but in a foreign
9 nation.

10 We hope the Corps of Engineers makes
11 a timely completion of this study, implements
12 those improvements and marches on to make further
13 improvements in the inland waterway system.

14 MR. WIEDMAN: Jim, thank you. Anyone
15 else? Ma'am.

16 MS. KATHY ANDREA: My name is Kathy
17 Andrea. I'm with the Conservation Alliance of
18 Southwestern Illinois, a local group.

19 The gentleman from the tow industry
20 asked the Corps to put a value on human life,
21 referring to that there were fewer deaths on the
22 river than other modes of transportation. I would
23 ask that you also put a value on human health.
24 Taxpayers should not subsidize an industry that
25 threatens their drinking water or adds

0054

1 substantially to its cost. Increased barge
2 traffic would mean increased negative
3 environmental impacts to the river, its adjacent
4 communities and those residents living there.

5 The gentleman who was just up spoke
6 about the expansion of the Granite City Port
7 District and asked that -- wants the Port District
8 to be bigger. The people who live around that
9 District do not. They do not look forward to more
10 industry or more traffic.

11 So there are a lot of impacts that
12 your decisions would have on communities that I
13 don't believe you're considering.

14 We'd also ask that you add water
15 quality to your environmental studies, even though
16 the water quality is regulated by a different
17 agency, including the cost of sedimentation
18 removal. Thank you.

19 MR. WIEDMAN: Thank you. Additional
20 comments, statements? If not, I would like to
21 encourage you to, if you have some questions that
22 weren't answered, to take advantage of some of our
23 resource specialists here. At the same time you
24 can leave any questions on a card outside as you
25 leave and fill out the survey. I really

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1 appreciate your participation tonight. We have
2 gotten a lot of information that's going to be
3 helpful. I hope this is the model of the other
4 six to come because you've produced a lot of
5 issues here for the Corps to take a look at. And
6 I thank you very much, ladies and gentlemen.

7 (Whereupon, at 9:40 P.M. the
8 meeting was concluded)

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REPORTER'S NOTARIAL CERTIFICATE

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I, Sandra L. Ragsdale, a Registered

Professional Reporter and Notary Public in and for

the State of Missouri, do hereby certify that I

caused to be reported in shorthand and thereafter

transcribed the foregoing transcript of

proceedings.

I further certify that the foregoing is

a true, accurate and complete transcript of my

shorthand notes so taken as aforesaid, and

further, that I am not counsel for, nor in any way

related to, any of the parties to this proceeding,

nor am I in any way interested in the outcome

thereof.

Witness my signature this 9th day of

August, 1999. My Commission expires July 21,

2000.

Sandra L. Ragsdale