



Upper
Mississippi River
Basin Association

ILLINOIS. IOWA. MINNESOTA. MISSOURI. WISCONSIN

November 24, 2009

Honorable Jo-Ellen Darcy
Assistant Secretary of the Army (Civil Works)
108 Army Pentagon
Room 3E446
Washington, D.C. 20310-0108

Dear Secretary Darcy:

On behalf of the Upper Mississippi River Basin Association (UMRBA), I am writing to express our five member states' concern over the challenges currently facing the Inland Waterways Trust Fund (IWTF) and continued delay in implementing the Navigation Ecosystem Sustainability Program (NESP) on the Upper Mississippi River System (UMRS). Formed by the Governors of Illinois, Iowa, Minnesota, Missouri, and Wisconsin in 1981, UMRBA represents its member states' common water resource interests and works collaboratively with both state and federal agencies that have management responsibilities on the UMRS. UMRBA's member states have a vital interest in protecting and enhancing the River's tremendous regional and national benefits, including those related to commercial navigation, water supply, tourism, and recreation. As such, we have a strong commitment to ensuring that the UMRS continues to function as a vital part of a healthy inland navigation system.

We are gravely concerned with the IWTF's current inability to support needed investments in navigation projects on the Upper Mississippi River System. In addition, intermittent federal funding and project cost overruns have further diminished the effectiveness of the available IWTF revenue. These imbalances are delaying construction of major navigation projects on our nation's waterways, as was abundantly evident during deliberations on the FY 2010 energy and water appropriations measure. The magnitude of this shortfall is indeed sobering, with the Inland Waterways Users Board estimating that navigation projects presently in, and ready to start, construction will require more than 40 years to complete under the currently projected IWTF levels. Nationally, and regionally, these delays are reducing efficiency, posing safety risks, and increasing the likelihood of catastrophic failure at some locations.

On the Upper Mississippi and Illinois Rivers, the IWTF constraints have delayed initiation of construction under the Navigation and Ecosystem Sustainability Program. In its FY 2010 energy and water report, the Senate Appropriations Committee wrote that "funding for NESP is dependent on a solution to shortfalls in the Inland Waterway Trust Fund, therefore a transition to NESP is not anticipated in the immediate future." This is

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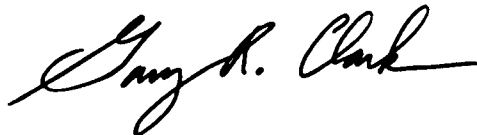
very troubling for the Upper Mississippi River System, where NESP represents a visionary effort to integrate management of a resource Congress has designated as "a nationally significant ecosystem and a nationally significant commercial navigation system." By combining small- and large-scale navigation improvements with ecosystem restoration measures, NESP is precisely the kind of green infrastructure investment the nation needs to link transportation efficiency and environmental sustainability.

The UMRBA states not only need a solution to the current Trust Fund revenue situation, but we also need adjustments to the project prioritization system. Between 1986 and 2001, the IWTF derived approximately 40 percent of its funding from shipments transiting the Upper Mississippi River System. But only 15 percent of Trust Fund expenditures during that same period were for UMRS projects. This imbalance continues and the Inland Waterways Users Board projects that, under the current funding and priority system, it will be at least 30 years before work will begin on the new locks authorized under NESP. This is unacceptable to the region and unwise for a nation that gains so many benefits from the navigation and ecosystem of the Upper Mississippi.

While we appreciate the difficult task of resolving the IWTF situation, we want to emphasize the urgent need to find a timely solution. We understand that the Inland Waterways Users Board and U.S. Army Corps of Engineers are working via an Inland Marine Transportation System Investment Strategy Team to identify long term capital investment needs, explore ways of increasing efficiency across the project lifecycle, and recommend a resolution to the IWTF imbalance. We are eager to see the Team's recommendations, and want to emphasize that any viable solution must address the needs of the inland waterways as a system. But we also need an approach that does not continue to disadvantage the UMRS, which has contributed significantly to the IWTF's revenue stream but which has received only a fraction of the investment needed to maintain its vitality. Through such an approach, we are hopeful that a solution can be found that will garner support from the Administration, Congress, and industry and set the course for future investment in what truly is a uniquely efficient and sustainable mode of transportation.

Thank you for your time and attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Gary R. Clark". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Gary R. Clark, P.E.
UMRBA Chair

cc: Steve Stockton, Director, Civil Works
Gary Loew, Chief, Civil Works Program Integration Division
Inland Waterway Users Board Members