

Upper Mississippi River System Ports, Terminals, Operators Workshop

February 24-25, 2015

Grand River Center

Dubuque, Iowa

Purpose and Objectives

In collaboration, the Inland Rivers Ports and Terminals (IRPT), Mid-America Freight Coalition (MAFC), and the Upper Mississippi River Basin Association (UMRBA) hosted a February 24-25, 2015 Upper Mississippi River System (UMRS) Ports, Terminals, and Operators Workshop.

In August 2014, the Maritime Administration (MARAD) granted the five Upper Mississippi River states' request and designated the Upper Mississippi River as the M-35 Marine Highway Corridor, extending from St. Paul, Minnesota to Grafton, Illinois. Under this designation, the states of Illinois, Iowa, Minnesota, Missouri, and Wisconsin will work with industry and other regional partners to improve freight mobility through innovative, integrated strategic approaches as well as to promote the inland waterways as a means to relieve landside transportation congestion and improve the nation's overall transportation system. The designation offers new opportunities for ports, terminals, and operators to access federal funding, technical support, and other resources to expand or develop new shipping services. This regional workshop involving the Upper Mississippi ports, terminals, and operators is a first step to begin discussions about how best to increase commerce on the Upper Mississippi to meet the region's and nation's freight transportation needs.

In addition, the 2014 Water Resources Reform and Development Act (WRRDA) and the states' multimodal freight transportation planning efforts offer new and important opportunities for the region to build its capacity and support current and future transportation needs. The workshop is intended to provide information and facilitate discussion around those opportunities in order to develop regional perspectives for growing the corridor. The engagement of ports, terminals, and operators is necessary for stimulating sustainable growth and operation of Upper Mississippi shipping services, including intermodal centers.

The workshop included a handful of informational presentations regarding M-35, WRRDA 2014, and public-private partnerships (P3s) with a greater emphasis on facilitated discussions. The goals of the workshop were to:

- Develop and strengthen regional collaboration among the Upper Mississippi ports, terminals, and operators, as well as governmental and private sector river stakeholders
- Discuss opportunities for Upper Mississippi ports, terminals, and operators under new national and state initiatives, including the M-35 Marine Highway Designation, 2014 Water Resources Reform and Development Act, and state and national freight transportation plans
- Identify priorities and actionable items for strengthening and expanding the Upper Mississippi's ability to effectively and efficiently move commerce, including new or expanded services, advocacy needs

Dru Buntin of UMRBA, Aimee Andres of IRPT, and Ernie Perry of MAFC welcomed participants to the workshop and shared their respective organization's interests in working with UMRS's port, terminals, and operators and their desired outcomes for this workshop.

Regional Collaboration

Dubuque Mayor Roy Buol, Colin Wellenkamp of Mississippi River Cities and Towns Initiative (MRCTI), Roger Lindner of Burlington Terminal, and Brett Madison of ADM shared their perspectives on the economic importance of the UMRS commercial navigation waterway and the need to increase and enhance regional collaboration among the navigation stakeholders.

Presentations and Facilitated Discussion

[PDFs of the presentation slides and handouts are provided as attachments to this summary.]

M-35 Route Development

Craig Markley presented on the five UMRS states' efforts to obtain MARAD's designation of the UMRS as a marine highway, named the M-35 Route or "Waterway of the Saints." Markley outlined the opportunities that the designation provides for strengthening the river's freight mobility, the states' governance architecture, and future goals for implementing M-35 Route. Markley noted that the five states applied for a TIGER planning grant in 2014, but it was not selected to receive funding. The states, together, had identified \$270,000 as a match. Although the application was not selected, the states intend to use those funds to advance work on the M-35.

Participants applauded Iowa's leadership in designating the M-35 Route, as well as Illinois' leadership in applying for the TIGER planning funds. Participants noted several social and political trends that will require investment in the nation's infrastructure to support domestic and international trade. This includes the expanded Panama Canal, increased agricultural production and global population estimates and food demands, and congestion on land-based transportation modes. In addition, participants discussed the UMRS's historical dual purpose relationship and value of that cooperation. The Navigation and Ecosystem Sustainability Program (NESP) is a truly integrated program that authorizes modernization of seven locks, small-scale navigation efficiency improvements, and ecosystem restoration projects. A coalition of navigation and environmental interests (including Waterways Council, The Nature Conservancy, Ducks Unlimited, Audubon, and UMRBA) join together every year to advocate on behalf of NESP to the Administration and Congress. Interested parties who would like to join that coalition are invited to contact any of those organizations listed.

Scott Davies presented MARAD's goals and objectives for its Marine Highway Program, including the process and criteria for project and service grant applications. Identifying and developing waterways services should begin with shippers, to determine the market demands and priority investment needs. Davies overviewed the TIGER 2014 service development project recipients. MARAD is using M-35's approach to its route development as a model for other waterways.

In response to a participant's question, Davies said applications are not shared publicly since they contain proprietary information. However, there is no specific outline for service development grant applications. MARAD's Gateway Directors can provide specific guidance on application content and organization.

Participants discussed challenges and potential opportunities for container shipping service development on the UMRS. Recognizing the interplay between imports and backhaul exports, partners should engage ocean-carrying shippers to identify options for making the service feasible and sustainable. Challenges include competing with land-based modes that are faster, but there may be opportunities to ship products in containers that are not time-sensitive.

Participants also acknowledged that there are short-haul opportunities to explore, including shipping grain to the eastern United States and easing congestion at larger ports. Market analyses will be necessary for service development. However, at the same time, sometimes the market changes while the analysis is being conducted.

UMRS-Related WRRDA 2014 Provisions

Mac Campbell discussed Congress' development and consideration of the 2014 Water Resources Reform and Development Act (WRRDA), including the strong bipartisan support in both chambers. He overviewed a few of WRRDA's provisions that will allow for increased and more efficient investment of the nation's inland waterways, including the cost-share modifications. Campbell said Congressional support recognizes the incredible need to invest in our nation's infrastructure, and especially the waterways. The same support behind WRRDA 2014 resulted in the passage of a ten-cent increase in the Inland Waterway Trust Fund fuel tax that was included in the December 2014 Achieving a Better Life Experience (ABLE) Act.

In response to a participant's question, Campbell explained issues associated with the Harbor Maintenance Trust Fund (HMTF) and said proposals have been raised to switch the fund-allocation formula to a tonnage valuation. He said there have also been thoughts of consolidating the IWTF and HMTF.

In response to a question about regional collaboration needs, Campbell suggested that UMRS partners do a better job of telling the story about the river's economic value and condition. Develop a tangible, compelling anecdotal vision for the river. He highlighted Waterways Council's commercial on the inland waterways that is telecasted in the Washington, D.C. area as an example. In addition, partners need to sign support letters and offer their names in order to provide "cover" for Congressional members.

Participants briefly discussed the opportunities for P3s to advance infrastructure needs, and the funding mechanisms that might be proposed to generate a return on investment. Nationally, the navigation industry has historically opposed lockage fees because they disproportionately disadvantage locked portions of the navigation system. However, there may be land-based transportation models to use – e.g., Missouri's bridge program.

Gary Meden discussed NESP's authorization, status, and appropriations to-date; the IWTF revenues; USACE's intention that P3s would supplement, not supplant, federal investment in inland waterways infrastructure; and the current cost-share requirements for major rehabilitation and construction projects. Meden articulated the issues of having a single point of failure system and explained the benefits of having a dual chamber beyond moving traffic faster. In response to a participant's question, Meden explained that USACE can transfer planning and design concepts among lock projects when allowable. However, that ability depends on site-specific factors such as substrate. For certain features, like miter gates, designs can be very similar. Meden noted that the Panama Canal's expansion will also enlarge the geographic area that will become cost-effective for shipping agriculture products on the Mississippi River. Funding NESP's planning will be important to ensure it is construction-ready when IWTF monies are available. Several of NESP's small-scale navigation efficiency projects and ecosystem restoration projects are construction-ready within a year of receiving funds.

It will be critically important to inform and engage the public on infrastructure investment needs. Bryan Ross from Missouri DOT was recently interviewed by a television media outlet. IRPT will be briefing Congressional staff this spring. In addition, the NESP coalition will be doing Hill visits.

Dredging is a critical component of the UMRS's infrastructure and needs to be sufficiently funded to keep the river open to navigation. USACE considers channel maintenance (including dredging) to be

an important component of its infrastructure program. The Rock Island District received an increase in maintenance funding in FY 2015 for miter gates and bulkhead slots. There is nearly \$1 billion in unfunded navigation maintenance backlog needs on the UMRS.

Public-Private Partnerships

Hank DeHaan presented on USACE's alternative financing program that includes public-private partnerships (P3s) as authorized in WRRDA 2014. The Act authorizes USACE to enter into agreements with non-federal interest to implement water resource projects through a) the Water Infrastructure P3 Pilot Program (Sec. 5014), b) the Water Infrastructure Finance and Innovation Act (WIFIA), and c) through various other program reform and streamlining provisions that provide for alternative resourcing and delivery. While P3 implementation guidance is still under development, a P3 for the Illinois Waterway is being developed for a pilot project proposal. DeHaan provided information on the project development thus far and said the major issues being considered include financing mechanisms, legal hurdles, and the formation of an inland rivers and waterways authority. Federal authority through an appropriations act is needed to establish a P3 pilot program.

It was noted that the UMRS is considered a nationally significant commercial navigation system and is treated by partners as an integrated system, and that the Illinois Waterway P3 proposal diverges from that systemic approach. DeHaan emphasized that USACE will continue to ensure that the UMRS continues to operate under a systemic approach. Illinois' support under new Governor Bruce Rauner has yet to be determined. USACE assured that UMRS navigation stakeholders will be engaged as the P3 concept continues to be developed. So far, only a conceptual draft proposal has been submitted. Illinois Soy is consulting with lawyers and financial consultants to identify the most feasible options, including obtaining revenue from other lock and dam beneficiaries. P3s represent a shift of taxation from national to local publics.

Scott Davies discussed MARAD's Build America Transportation Investment Initiative Center (BATIC) public-private partnership program. Recently, MARAD announced an agreement with the Mid-America Intermodal Authority Port to enter into public-private partnership under BATIC.

Bryan Ross overviewed the states' perspectives regarding P3s for UMRS locks. The questions relate to financing, risk, partnerships, authorities, and so on. Participants noted that the biggest issues to consider include the revenue stream, whether private funds will supplant federal investment rather than supplement, and assumption of risk.

Legislators and others have expressed concern with the assumption of risk: who obtains the pass back if the project fails or does not meet the revenue requirements? However, the states and surrounding localities also receive economic benefits from P3s. It will be important to fully understand and communicate the P3 details to elected officials and the general public. In addition, partners need to do a better job of communicating the value of moving product on the river to increase efficiencies and lessen congestion on land-based modes. Each state also has P3 opportunities for port development, but each state's P3 structure and funding mechanisms is unique.

Iowa DOT is currently developing a Freight Optimization Study that will analyze supply chains and how to more effectively move products domestically and internationally.

There may be philanthropic opportunities to obtain resources for UMRS navigation infrastructure that ought to be explored.

Full Group Action-Oriented Facilitated Discussions

Ernie Perry led a facilitated discussion among all participants to generate ideas about action-oriented ideas that would result in an enhanced and strengthened inland navigation system. Participants categorized these ideas in four major topical areas: advocacy/awareness, marketing/service development, infrastructure, and planning/ organization.

Awareness/Advocacy

- USACE provide navigation industry with timely information about costs and delay times associated with lock closures
- Inform elected officials about the value of the UMRS's navigation system, including infrastructure investment needs (maintenance and new construction) and M-35 Route developments
 - Utilize the Mississippi River caucus to seek Congressional action
 - Seek federal investments to match IWTF revenues
- Raise awareness about the UMRS's ability to provide a shipping option, highlighting year-round service where available, capacity ups and downs, and reliability (good and bad)
- Increase and enhance public outreach
- Establish a freight advisory council for USACE
- Use social media to communicate to the general public about the waterways ability to relieve congestion on land-based modes, move goods in an environmentally-friendly manner, infrastructure excess capacity and outdated and aged condition; in addition, communicate about the impact of a shutdown

Market Development

- Create new technologies to make the system more efficient and reliable, and new ships to meet current and future demands
- Develop an information system/clearinghouse
- Market the river's ability to safely move cargo, especially important for petroleum and other hazardous substances
- Include supply and demand of truck drivers in freight optimization analyses
- Overweight and oversized loads that are not supported by rail or truck have potential to move on the waterways (e.g., yellow steel to overseas markets)
- Products with the estimated greatest demand in the next five to 10 years are grain, steel; greatest declines include coal and pig iron
- Servicing new products on the UMRS may be affected by market demand, rail reliability, and manufacturing location
- Providing a reliable system will open doors to free enterprise and economic development

Infrastructure

- Create an asset inventory for the river
- The locks and dams are in need of repair and modernization to meet current and future demands
- Fund studies and plans for lock modernization and channel maintenance
- Consistently dredge the channel and harbors
- Increase reliability and efficiency with infrastructure investments

- Identify and address land-use conflicts
- Mooring cells, helper boats, and other small-scale projects will help to make the UMRS competitive in the near term
- Load-out facilities are needed for petroleum products and hazardous chemicals, as well as new barge designs
- M-35 could help identify the best location for intermodal ports and support their development, address channel maintenance needs, provide rail access, support NESP as well as major rehabilitation and maintenance

Planning/Organization

- Identify the critical issues and prioritize actions to address them
- Identify who to involve in planning
- Get buy-in from all relevant stakeholders
- Solicit greater involvement/support from metropolitan planning organizations (MPOs)
- Increase intermodal collaboration, specifically from railroads
- Address workforce issues and planning
- Social media could help facilitate regional collaboration among river stakeholders
- Create forums to exchange information on capabilities/approaches/techniques regarding transportation of certain goods
- Define audiences and tell the story of the waterways

Breakout Group Action-Oriented Reports

Participants formed three breakout groups to consider various questions related to advocacy/awareness, markets/service development, infrastructure, and planning/organization. Handouts with questions were provided to guide discussions and brainstorming. The report-outs from those three groups are outlined below.

Group One

Advocacy/Awareness — Group One identified three audiences to target and developed tailored messages to each group, as described below. In addition, the group called for more frequent, focused information exchange among industry and transportation professionals.

- 1) *General Public*: Communicate how the waterways relieve congestion, enhance overall transportation efficiency, provide slack capacity, and have significant ecological benefits that are compatible with navigation. Provide information on the current condition of the river infrastructure and the economic value of investing in the system, as well as the overall significance of the river system to the region and nation. In addition, provide information on how the public can help support the river.
- 2) *Mayors/Local Elected Officials*: Communicate the economic impact of the inland waterways, opportunities for economic development (new businesses), and the importance of transportation costs in global economic competitiveness.
- 3) *Congress*: Communicate the cost-effectiveness of reliably and sufficiently funding capital projects, the risk of system failure and associated implications.

Infrastructure — Group One identified the following list as priority infrastructure investment needs:

- Channel maintenance — dredging and reuse
- Small-scale efficiency improvements
- Operation and maintenance and major rehabilitation
- Expansion of La Grange and L&D 25

Regarding P3 implementation, what will be the federal/private cost share formula?

Markets/Service Development — Group One identified grain and steel exports will have an increasing demand on UMRS river shipping in the next five to ten years. There are safety concerns with vessel designs for liquefied natural gas (LNG). Crude export requirements will increase, as well as domestically to refineries. Group One encouraged partners to support funding for MARAD to be able to invest in service development and port infrastructure.

Group Two

Advocacy/Awareness — Group Two identified key audiences and targeted messages to each group, as described below. There will be different roles for industry, associations, and local communities and leaders in leading advocacy and awareness efforts. There is also incredible value in working collaboratively and sending messages together to showcase the broad coalition in support of the UMRS and its commercial navigation capabilities. A key message might be about the river's ability to generate the domino effect in many ways, including generating jobs through investment and economic opportunities and through cost impacts of delays.

- 1) *General Public*: Communicate the importance of commercial navigation to localities, the Midwest, and nation, as well as the need to invest in infrastructure. Illustrate the consequences should a lock failure occur.
- 2) *Targeted Audiences*: Advertise the river's ability to move specific products (i.e., "follow that product") to its respective demographics. For example, beer shipping to hipsters. Use company names, such as Cardinal Baseball.
- 3) *Congress/Administration (OMB)*: Describe the value of the inland waterways/UMRS to the nation and its impact to quality of life, as well as the threat to the nation if a failure would occur. Ask for support for increased O&M funds, NESP, and fully funded appropriations to match IWTF revenues. Communicate benefits to Congressional members by showing support for the waterways, including return on investment and jobs and regional economies supported by the waterways. In addition, illustrate the impacts of a loss of pool on the system and the river users.
- 4) *Federal Agencies (USDOT, USACE)*: Communicate regional benefits of the waterways, including economic.
- 5) *State Government Leadership (Governors, Agencies)*
- 6) *Business Users (Existing and Potential)*: Demonstrate the capabilities of shipping on the UMRS.
- 7) *Celebrities and Philanthropists*: To seek endorsement and resources.
- 8) *River Users (Recreation, Water Supply, Hydropower, Localities, etc.)*: Illustrate the economic impacts of the river's human- and biota-supported uses to each user. Explain the benefits of commercial navigation to recreation and natural resources on the river.

Infrastructure — Group Two identified lock improvements and multimodal/intermodal accesses as projects to advance under the M-35 Route grant funding. The Group recognized the need to enhance partnerships with rail and trucking industries. New technologies that the UMRS navigation industry should acquire include an automatic identification system (AIS) to improve safety, mooring

infrastructure/communications, Facebook and Twitter for awareness and outreach, an online matching service to connect shippers with producers, as well as a listserv of relevant UMRS navigation stakeholders. Group Two rated the value of NESP's small-scale measures to be mooring cells that make approaches easier and lower costs, guidewalls and switchboats, and scheduling. The Group agreed that modernizing Lock 25 and La Grange as were equally as important.

Through a P3, Group Two listed its top priorities for investment to include helper boats, high-speed loading, docks and mooring cells, bulk storage, truck-rail terminals, flood protection, and dredge drop sites. The Group noted that these options are all feasible and cost-beneficial to implement through a P3. Implementation questions that need to be discussed among river users include retention, risk allocation, and revenue generation. In addition, USACE's cost share obligations have proven burdensome for non-federal project sponsors that may affect P3 implementation. These include full indemnification of liability and providing O&M of the site in perpetuity. Stakeholders need to make the case for regional collaboration in developing P3 models for the UMRS.

Markets/Service Development — Group Two recognized that we have all the information needed for new, effective marketing approaches. The economic and environmental benefits need to be explained to all sectors in a compelling story, including economic development opportunities to local entities and flows/volume supported. In developing a market plan or service, we need to step back and assess what is working for the UMRS. The market/service development should manage impact congestion by utilizing the capacity on water. Stakeholders need to illustrate how the river enhances the region's quality of life in a multitude of ways, including relieving congestion on other modes, providing aesthetics, generating economic benefits, and creating and maintaining jobs. A marketing plan should be developed that is regional in scope and considers the three other transportation modes: truck, rail, and air.

Group Three

Advocacy/Awareness — Group Three identified key audiences and targeted messages, as follows:

- 1) *General Public*: Demonstrate “ripple effects” that are both positive and negative associated with river shipping and infrastructure investment, lost opportunities of “no action” and the river shuts down, and public benefits including externalities. Ensure that the public acknowledges the compatible relationships among river uses and that they do not compete but rather can be integrated and supportive.
- 2) *Elected Officials*: Communicate the return on investment, value of the UMRS to the national and states' transportation systems, the low risk associated with supporting the river. Illustrate Ret. MG Duke DeLuca's slot machine analogy to showcase the return on investment opportunities. Keep the messages simple and on-point. Emphasize that river transportation is a bi-partisan issue.
- 3) *Commercial Interests*: Discuss the natural events that are creating a pull on using the UMRS navigation system, including increasing agriculture production and export demands, expanding Panama Canal, west coast port union disputes, etc. Emphasize that river transportation is a bi-partisan issue.
- 4) *Philanthropists*: Communicate the patriotic, national benefits of investing in the UMRS navigation infrastructure, as well as the ecological benefits of the river. For philanthropists with investments in other transportation modes, show their capability and how investments in the UMRS will benefit their existing investments.
- 5) *River Users (Recreation, Water Supply, Hydropower, Localities, etc.)*: Show broad appeal for the river and the human uses it supports.

Infrastructure — Group Three determined that, in order to identify necessary and priority infrastructure investments, a market analysis is needed. This analysis should take an incremental approach by evaluating a few specific areas at a time and would incorporate the other transportation modes. The plan would account for seasonality where appropriate and would identify a “customer mix” of current and potential business users. Group Three recognized the importance of ensuring system resiliency by modernizing the locks and investing in infrastructure maintenance, including channel and harbor dredging. The analysis should also include input from ocean-going carriers.

Group Three prioritized NESP small-scale measures, dredging, and other market-driven measures to implement through a P3. Implementation questions that need to be considered through stakeholder discussions include revenue mechanism and operations (responsibility and availability for all user needs), and *how* does stakeholder engagement, dialogue, and consensus-building around these issues best occur.

Markets/Service Development — Group Three listed corn, soy, and grain as long-term, stable service that will likely expand in the future. Salt might be a potential short-haul service development opportunity. There is a seasonality factor for shipping oil on the UMRS. Group Three asked what markets are missing because of the river’s seasonality and time-sensitivity of the product. There are social challenges to shipping frac on the river, as well as accessibility to the river. There are over-weight and over-development challenges to container shipping. Freight optimization studies currently underway could inform a market analysis of the river.

Full Group Action-Oriented Facilitated Discussions

Following the breakout reports, Ernie Perry led a facilitated discussion to draw out the priority actions and desired outcomes for strengthening the UMRS as a freight transportation corridor. The results of that discussion are provided below.

Advocacy/Awareness

Participants sketched out an issue-based communications plan framework for the UMRS inland navigation system as provided in the table below. Participants stressed the need to broaden the partnership advocating for UMRS navigation improvements, including NESP, with many voices speaking in one voice. This partnership should include the five UMRS states, navigation industry, ocean-going carriers, the River Industry Action Committee (RIAC), metropolitan cities and localities, MPOs, producers, elected officials, general public, and environmental and flood control interests. Doing so will require consensus in defining problems/issues and the solutions.

Issue/Focus		Audience	Message
Public-private partnerships	Infrastructure improvements	Industry	Benefits to their bottom line
	Process and implementation questions	State Transportation, Economic Development, Natural Resource, Agriculture agencies; USACE, USDOT, OMB	UMRS partners’ perspectives on making private investment viable/ shape implementation/revenue mechanism; Cost savings gained through P3s; Model/aspects the agencies (and stakeholders) support; Federal cost share of P3 projects
	Investment incentives	Investors, Capital Investment Groups	Return on investment opportunities

Issue/Focus		Audience	Message
Public-private partnerships (continued)	Increase total investment	Congress, Administration, Industry	Private investments cannot supplant, but rather supplement, federal investment; Policy modifications needed
Container shipping		Carriers	Equipment needs and control/handling; Ability to meet demand
Value of the UMRS/quality of life		All	Economic benefits of transportation/competitive advantage of waterways; Ecological value in supporting human uses
Cost of non-action/cost of failure		All	Reproductions associated with lock failure, closed channels and ports, etc.

Infrastructure

Participants listed priority infrastructure improvements to be lock and dam maintenance and modernization, channel maintenance (dredging, disposal, other), port and terminal facilities, and multimodal access. Participants acknowledged the need to lessen studies and evaluations and increase actions to achieve results. In addition, participants also stressed that private investment through P3s can only supplement, not supplant, federal investment. The authorization is meant to advance infrastructure improvements at a greater pace and magnitude than currently being done.

Regarding congestion management, participants identified better mooring capabilities, scheduling, switchboats, guidewalls, Load Board (informal right now), port and harbor dredging, and addressing seasonal constraints through ice breakers and other planning techniques.

Markets/Service Development

Participants agreed that developing markets and services on the UMRS will require marketing and a communications plan that showcases the value of the river (efficiencies gained by transporting via the river); cost of failure, including congestion, capacity, impacts to other modes; and the breadth of public and economies affected by the UMRS navigation system. Partners will need to discuss P3s, including exchanging information on P3 models. The partnership will need to create tailor-made messages. Metrics of success in communicating with each audience should be developed.

Next Steps

This meeting summary will be used to develop a collaborative action-plan to advance the ideas discussed at this workshop. The plan will include specific goals and responsible leads. In addition, the five state DOTs will continue to work with the river navigation stakeholders to implement M-35 route planning and develop the corridor. This will include convening working groups that will explore new service development and implement other advocacy, marketing, infrastructure, and planning needs identified at the workshop.

IRPT, MAFC, and UMRBA will continue to maintain and foster interactive dialogue with navigation stakeholders through their respective forums and communications venues.

Upper Mississippi River System Ports, Terminals, Operators Workshop

February 24-25, 2015

Attendance List

Brett Madison	ADM
Jeff Woods	Alliant Energy Transportation
Tom Streight	Alter Logistics Company
Randy Simmonds	ARTCO
Gena McCullough	Bi-State Regional Commission
Roger Lindner	Burlington Terminal
Mayor Roy Buol	Dubuque (City)
Terry Goodmann	Dubuque (City)
Maurice Jones	Dubuque (City)
Chandra Ravada	East Central Intergovernmental Association
Chad Cailteux	Finkbiner Equipment Company
Carol Wolosz	Great Lakes Maritime Research Institute
Marcel Wagner	Great River Economic Development Foundation
Mike McQuillan	Hanson Professionals Services
Paul Dierking	HDR
Gary Loss	HNTB
Joe Bitter	IEI Barge Services
Kevin Burke	IEI Barge Services
Lee Trotter	Illinois Department of Commerce and Economic Opportunity
Nathan Bishop	Illinois Department of Transportation
Doug DeLille	Illinois Department of Transportation
Ken Eriksen	Informa Economics
Aimee Andres	Inland Rivers Ports and Terminals
Harold Hommes	Iowa Department of Agriculture
Tim Hall	Iowa Department of Natural Resources
Craig Markley	Iowa Department of Transportation
Kyle Barichello	Iowa Department of Transportation
Sam Hiscocks	Iowa Department of Transportation
Garrett Pedersen	Iowa Department of Transportation
Mara Roche	Jo-Carroll Depot Local Redevelopment Authority
Greg Genz	Kaposia Marine Service, Upper Mississippi Waterway Association
Lance Schuette	Klingner and Associates
Lauren Larson	Krech Ojard and Associates
Matt Smolek	Krech Ojard and Associates
Mac Campbell	The Lincoln Policy Group
Charles Bell	Mid-America Port Commission
Ernie Perry	Mid-America Freight Coalition
Bruce Abbe	Midwest Shippers Association
Patrick Phenow	Minnesota Department of Transportation
Colin Wellenkamp	Mississippi River Cities and Towns Initiative
Robert Stout	Missouri Department of Natural Resources
Lorisa Smith	Missouri Department of Natural Resources
Bryan Ross	Missouri Department of Transportation

Dave Gobin	Muscatine (City)
Paul Rumler	Quad Cities Chamber of Commerce
Kevin Stien	Riverboat Twilight
Kathryn Sarnecki	St. Paul Port Authority
Kathy Heady	Wisconsin Economic Development Corporation
Dan Baumann	Wisconsin Department of Natural Resources
Gretchen Benjamin	The Nature Conservancy
Lisa McCarthy	Tri-County Development Alliance
Randal Carmichael	Upper Mississippi Fleeting
Dru Buntin	Upper Mississippi River Basin Association
Kirsten Mickelsen	Upper Mississippi River Basin Association
Gary Meden	U.S. Army Corps of Engineers
Michael Cox	U.S. Army Corps of Engineers
Hank DeHaan	U.S. Army Corps of Engineers
Harold Graef	U.S. Army Corps of Engineers
Scott Davies	U.S. Department of Transportation, Maritime Administration

M-35 Marine Highway

Overview and Benefits of Designation

UMRS Ports, Terminals, Operators Workshop
February 24, 2015



Discussion Outline

- Application for designation
 - Timing/process
 - Purpose
 - Benefits
- States' goals for strengthening the UMR
- Facilitating the process
 - M-35 governance architecture
 - Structure, membership & roles, responsibilities

MARAD Marine Highway Program

- Vision:
 - Full **integration** of marine highway vessels and ports **into surface transportation system** to ensure reliable, regularly scheduled, competitive, sustainable services are routine choice for shippers

Application for designation

- Joint application sponsored by Illinois, Iowa, Minnesota, Missouri, and Wisconsin DOTs
- Would designate the UMR from Minneapolis-St. Paul, Minnesota to St. Louis, Missouri, or the "Waterway of the Saints"
- Application submitted: February 2014
- Designation notification: July 2014

Application for designation

- Purpose:
 - Recognize the UMR as a critical piece of the inland waterway system
 - Recognize waterways as a critical transportation mode
 - Support more coordinated planning to:
 - relieve landside congestion
 - reduce air emissions
 - increase efficiency of other surface modes

Application for designation

- Benefits:
 - Supports the state's efforts to increase utilization of the UMR
 - Ports and services operating along the corridor are eligible for MARAD program support
 - Allows for designation of marine highway projects, which is necessary to be eligible for grant program funds
 - Supports improved stakeholder coordination

Goals for strengthening UMR

- Enhance communications and coordination among the river's stakeholders
- Educate the public and elected officials on the value of the waterways
- Better understand market trends and forecasts
- Identify opportunities to reduce landside congestion
- Optimize the transportation of goods and passengers through use of the waterway network

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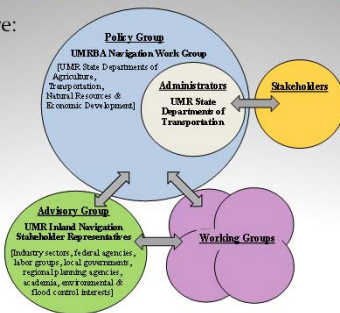
Facilitating the process

- Currently developing a governance architecture, which will define:
 - Structure of governing body/bodies
 - Membership and roles
 - Responsibilities

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M-35 Governance Architecture

- Structure:



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M-35 Governance Architecture

- Membership and roles:
 - Administrators: State DOTs
 - Policy Group: State departments of transportation, ag, natural resources, and economic development
 - Advisory group: Various stakeholders, including industry sectors, federal agencies, local governments, regional planning agencies, labor groups, academia, and environmental and flood control interests
 - Working groups: Convene as appropriate, standing or ad hoc based on objectives

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M-35 Governance Architecture

- Responsibilities:
 - Administrators: Primary implementation and decision-making responsibility; engage stakeholders
 - Policy Group: Forum for information exchange, issue deliberation, and seeking consensus
 - Advisory group: Advise Policy Group on issues related to M-35 priorities
 - Working groups: Convene as appropriate to explore issues and/or implement initiatives; may make recommendations to Policy and/or Advisory Groups

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Future planning

- Develop strategic goals and action items
 - Initial SWOC analysis
 - UMRS Navigation Stakeholder Survey
 - February 24-25 UMRS Ports, Terminals, Operators Workshop
 - Input needed from ports, terminals, and operators

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Future planning

- Planning study (TIGER VI)
 - 5-state application to support a proposed study further exploring opportunities to enhance lock and dam efficiency, reliability, and utilization.
 - Request: \$730,000 (73%) -- Match: \$270,000 (27%)
 - Not awarded
 - Feedback from MARAD
 - TIGER VII will not support planning applications; may explore other funding opportunities

13

Wrap up

- Questions?
- Contact:
 - Craig Markley, Director
 - Office of Systems Planning
 - Craig.Markley@dot.iowa.gov
 - 515-239-1027



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Marine Highway Program Call for Projects Webinar

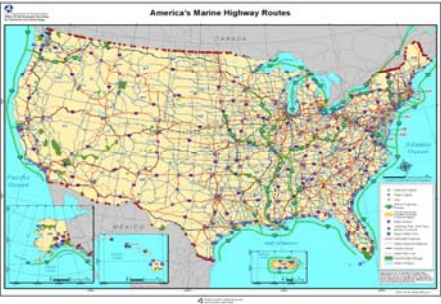
U.S. Department of Transportation - Maritime Administration
December 2014



Disclaimer

The opinions offered here are those of the presenter and do not necessarily reflect the opinions of colleagues, the Maritime Administration, or the U.S. Department of Transportation. This presentation is for general information only and does not create a regulatory requirement.

2 



DESIGNATED MARINE HIGHWAY ROUTES

3

Project Designations

Why do we do it?


- Identify Areas of Opportunities
- Measure Public & Private Benefits
- Identify & Quantify Infrastructure Gaps
- Capital Costs
- Market Forces

4 

Project Designations


What does it mean for you?

- Credibility of Concept
- Eligibility for Potential Grant Funding
- U.S. Department of Transportation Support

5 

USDOT Support

- Clearinghouse of Lessons Learned
- Promoting & Developing Partnerships
- Linking Services with the Larger System
- Access to Gov't Programs
- Market Analyses
- Infrastructure Gap Analyses

6 

Designation Process

- Official “Call for Projects” Notice
- MARAD Internal Review Panel
- DOT Interagency Review Panel
- Recommendation to the Secretary
- Public Announcement

7



Application

Four Key Stories.....

- Your Market and Value Proposition
- Your Service
- Your Costs
- Your Public Benefits

8



Application

Tell the Market Story

- Customer Base
- Current Supply Chain Model
- Current Model vs. New Model
- Freight Rate Comparison
- Transit Time Comparison
- Value Proposition

9



Application

Tell the Service Story

- Type of Vessel
- Capacity
- Frequency
- Transit Capability
- Type of Equipment
- Business Partnerships

10



Sample Basic Costs	Sample Cost Model			
	Weekly Costs with 1 voyage/week	Cost/Box based on 300/voyage, 1 voyage/week	Weekly Costs with 2 voyages/week	Cost/Box based on 400/voyage, 2 voyages/week
Origin Drayage	\$ 60,000.00	\$ 200.00	\$ 160,000.00	\$ 200.00
Origin Port Gate Charge	\$ 1,500.00	\$ 5.00	\$ 4,000.00	\$ 5.00
Linehandling	\$ 3,500.00	\$ 11.67	\$ 7,000.00	\$ 8.75
Origin Port Loading	\$ 10,000.00	\$ 33.33	\$ 20,000.00	\$ 25.00
Vessel Charter per Week	\$ 45,000.00	\$ 150.00	\$ 45,000.00	\$ 56.25
Fuel Cost per Voyage	\$ 5,304.00	\$ 19.68	\$ 11,808.00	\$ 14.76
Destination Port Discharge	\$ 10,000.00	\$ 33.33	\$ 20,000.00	\$ 25.00
Destination R/T Drayage	\$ 60,000.00	\$ 200.00	\$ 160,000.00	\$ 200.00
Destination Port Return Loading	\$ 10,000.00	\$ 33.33	\$ 20,000.00	\$ 25.00
Destination Port Linehandling	\$ 3,500.00	\$ 11.67	\$ 7,000.00	\$ 8.75
Origin Port Discharge	\$ 10,000.00	\$ 33.33	\$ 20,000.00	\$ 25.00
Origin Port Gate Charge	\$ 1,500.00	\$ 5.00	\$ 4,000.00	\$ 5.00
Destination Drayage	\$ 60,000.00	\$ 200.00	\$ 160,000.00	\$ 200.00
Insurance	\$ 1,250.00	\$ 4.17	\$ 1,250.00	\$ 1.56
Overhead	\$ 3,750.00	\$ 12.50	\$ 3,750.00	\$ 4.69
Total Service Cost/Box Door to Door	\$ 150,904.00	\$ 953.01	\$ 643,808.00	\$ 804.76
Door to Door R/T Service Rate		\$ 953.01		\$ 804.76
Comparative R/T Truck Rate		\$ 1,000.00		\$ 1,000.00
Service vs Truck Difference		\$ 46.99		\$ 195.24
Cost per FreightTon via Truck (40,000 capacity dry van)		\$ 43.48		\$ 43.48
Cost per FreightTon AMHS Service (82,000 capacity dry box)		\$ 30.74		\$ 25.96

Application

Tell the Public Benefits Story

- Route Miles Saved
- Air Emissions Impact
- Road Maintenance Savings
- Congestion Impact
- Resiliency Analysis
- Safety Impact

12



Application

Identify Partnerships

- Primary Customers
- Service Operator
- Workforce
- Terminal Operators
- Ports
- MPOs & Regional Councils
- State DOTs

13



Application

Recognize Impediments

- Infrastructure Gaps
- Equipment Gaps
- Market Forces Beyond Control

14



Factors of Success

15



Partnerships

- The Public has to be a Partner
 - State DOT
 - MPOs & Regional Councils
 - Air Pollution Districts
 - Economic Development Agencies
- Private Interests need a Stake
 - Terminal Operators
 - Workforce
 - Vessel Operators
 - Customers

16



People

- Leadership and Trust
- Communication and Cooperation
- Understand the Customer's Needs
- Have a Marketing Plan
- Guaranteed Revenue Stream



Process

- Use the Right Equipment
- Look for Efficiencies
- Be Hyper-focused on Controlling Costs
- Productivity is Key
- Incentivize your Partners



Product

- Know your Competition
- Know the Market
- Know your Customer and Understand their Total Supply Chain
- Offer a Better Solution than the Status Quo
- Make it EASY for your Customer



Questions?

Contact:
Scott Davies
Office of Marine Highways & Passenger Services
U.S. Department of Transportation/Maritime Administration
MH@dot.gov
(202) 366-0951

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Public-Private Partnerships (P3) and the Illinois Waterway P3 Demonstration Project

U.S. Army Corps of Engineers
Rock Island District

February 24, 2015



US Army Corps of Engineers
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Upper Mississippi River Navigation System

Background

- Navigation System infrastructure largely constructed in 1930s, and are past useful life (37 Locks and Dams, 1,200 river miles)
- O&M budget is stagnant nationally
- Over \$1.2 billion in MVD unfunded maintenance needs for Navigation
- Aging infrastructure is experiencing significant deterioration
- Reliability of the system is decreasing and risks to users/shippers are increasing
- Negatively impacting commerce with service interruptions



2

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Alternative Financing (AF) Program

USACE CIV missions and programs play a crucial role in ensuring that the Nation's water infrastructure systems continue to meet the Nation's current and future needs.

Nationally Critical Role of USACE



Need for Alternative Financing Program

Declining federal investments are creating a gap in funding for new infrastructure and major rehabilitations. This has led to a growing backlog of critical authorized projects.

Declining Federal Investment

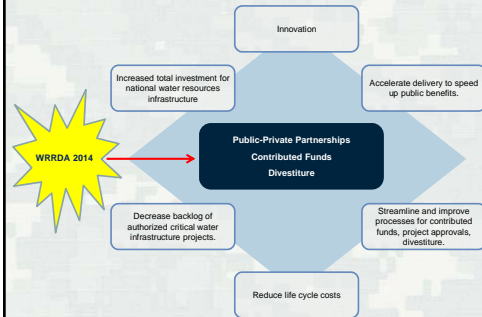
Primary objectives of AF:

- Enable increased investment by non-federal interests to improve return on federal investment, create jobs and stimulate economic growth;
- Accelerate infrastructure service delivery to advance project benefits;
- Reduce life-cycle costs when providing infrastructure services;
- Access additional financial resources and increase funds available for infrastructure investment; and
- Realize efficiency gains through innovation and better aligned service delivery incentive structures.



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Alternative Financing Results



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Water Resources Reform and Development Act (WRRDA) of 2014



Water Infrastructure P3 Pilot Program (§5014)

- Authorizes Secretary of the Army to enter into agreements with non-federal interests, including private entities, to deliver and finance construction of at least 15 water resources projects

Water Infrastructure Finance & Innovation Act (WIFIA)

- WIFIA credit facility contemplates loans, lines of credit, and loan guarantees to support water infrastructure projects of national and regional significance (including flood damage reduction, restoration of aquatic ecosystems, improvements to inland and intracoastal waterway navigation systems, wastewater treatment works, desalination plants, etc.)

Program Reforms & Streamlining

- WRRDA offers a variety of other initiatives and authorities to facilitate and/or enable alternative resourcing and delivery. Relevant examples include §1008 (Expediting Hydropower at Corps of Engineers Facilities), §1014 (Study and Construction of Water Resources Development Projects by Non-Federal Interests), §1022 (Credit in Lieu of Reimbursement), §1043 (Non-Federal Implementation Pilot Program), and §6002 (Review of Corps of Engineers Assets)



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WRRDA 2014 Section 5014 Public-Private Partnership (P3) Pilot Program

- Program to evaluate effectiveness and efficiency of allowing non-Federal pilot applicants to carry out authorized water resources development projects



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6

WRRDA 2014 Section 5014 Public-Private Partnership (P3) Pilot Program



Major Program Components

- 5-year program to identify 15 authorized water resources projects for private participation
- Program allows non-Federal pilot applicants to enter into partnership on authorized water resources development projects
- Implements process to evaluate cost effectiveness and project delivery efficiency
- Viable projects include: Channel improvement, inland navigation, flood damage reduction, aquatic ecosystem restoration, hurricane and storm damage reduction
- Project structures and funding mechanisms to finance P3 projects being explored
- Agreement is executed detailing project financing, planning, design, construction, operation and maintenance



7

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WRRDA 2014 Section 5014 Public-Private Partnership (P3) Pilot Program

Major P3 Efforts Underway

- Draft Implementation Guidance for P3 Pilot Program under review
- P3 Teams forming and meeting regularly
- Initial P3 Demonstration Projects being conceptually developed
- Development of Illinois Waterway (IWW) P3 Demonstration Project as potential P3 Pilot Project Proposal
- Evaluation of potential private sector revenue streams for P3
- Identification of process/authority/legal hurdles to IWW P3 implementation
- Formation of Inland Rivers and Waterways Authority



8

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Public-Private Partnership Illinois Waterway P3 Project



IWW P3 Demonstration Project

- Exploring potential for P3 Pilot Program (WRRDA 2014) to assist in addressing aging navigation infrastructure
- Help address Federal maintenance backlog
- Provide alternative funding sources to address maintenance needs
- Speed up repairs and upgrades to aging lock and dams
- Greatly improve navigation system reliability
- Reduce risks to users/shippers and improve the economic viability of the nation



9

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Public-Private Partnership IWW P3 Project

Proposed IWW P3 Project

Under Development:

- Examining ways to address maintenance backlog in part of the navigation system
- Improvements for eight locks and dams on the Illinois Waterway
- Proposed work: Ranges from addressing maintenance requirements to 2 new 1,200-foot locks
- Potential Benefits: Accelerate maintenance efforts, reduce costs, reduce delays and risks
- Examining opportunities to plan, design, construct, operate, and maintain
- Preliminary cost estimate: \$300M - >\$1B (depending on magnitude of effort)
- Potential funding mechanisms: Tariffs, tonnage fees, water usage fees, state financing, etc.



10

Public-Private Partnership IWW P3 Project

Inland Rivers and Waterways Authority

Under Development:

- New regional authority being examined by Illinois to serve as P3 non-Federal partner
- Includes an Executive and Advisory Board with state and industry representation
- Would help coordinate the IWW P3 Demonstration Project
- Establish and support options for project financing and structure
- Illinois State Lead: Illinois DNR/Illinois DOT (positions vacant with new administration)
- Awaiting hiring/identification of new State leads
- Governor's "State-of-the-State" speech mentioned importance of P3 and Alternative Financing Projects – February 2015
- Anticipate formation of new Inland Rivers and Waterways Authority in 2015



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P3 Project Screening

Project Viability Screening

- Factors:
 - Project Size & Complexity
 - Implementation Timeline
 - Revenue Potential
- Criticality
 - Environmental Clearances
 - Budgetability

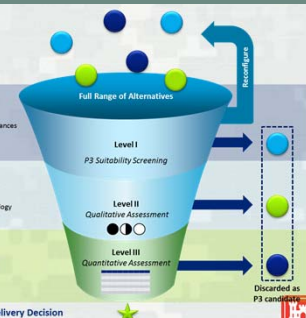
Qualitative Evaluation

- Factors:
 - Risk Allocation
 - Bundling Efficiencies
 - Network Completion
 - Stakeholder Support
- Scheduling Efficiency
 - Cost Savings
 - Innovation & Technology
 - Legal Clearances

Quantitative Evaluation

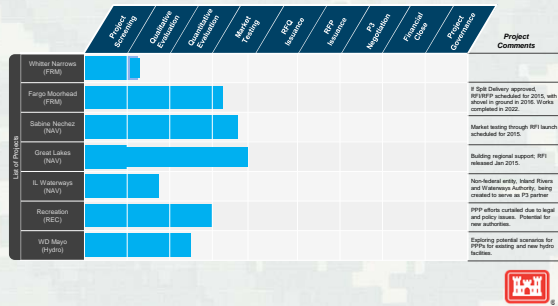
- Factors:
 - Funding & Finance Options
 - Affordability
 - Return on Federal Investment
- Value-for-Money
 - Financial Viability

Integrated Review leads to Alternative Delivery Decision



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P3 Demonstration Projects



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Public-Private Partnership IWW P3 Project

Demonstration Project Status

- DRAFT IWW P3 proposal being developed by the Illinois Soybean Association (ISA)
- USACE MVR sharing navigation information with ISA and IWR to inform P3 process
- Draft P3 Implementation Guidance being reviewed at USACE HQ
- 6 Jan 2015 - meeting with USACE MVR, IWR, and ISA – brainstormed potential IWW P3 funding mechanisms
- 22 Jan 2015 - briefing to ASA(CW) on IWW P3 and Fargo/Moorhead P3
- 11 Feb 2015 – meeting with MVR/IWR – P3 coordination
- 19 Feb 2015 - meeting with MVR/IWR/ISA – IWW P3 coordination
- Coordination gaining momentum with Midwest state partners and stakeholders
- Currently no Federal Authority (which must come from an Appropriations Act) to stand up a 5014 Program

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Public-Private Partnership IWW P3 Project

Demonstration Project Schedule

- Monthly meetings with MVR, IWR, MVD, HQ and interested P3 stakeholders – (ongoing)
- Options Analysis / Transaction Structuring (quantitative evaluation) - June/July 2015
- Obtain informal USACE approval to proceed as a "Demonstration Project" - 2015
- Formation of new Inland Rivers and Waterways Authority - 2015
- Non-Federal entity submits IWW P3 Project Proposal to MVR - late 2015
- Obtain formal approval from USACE MVD/HQ to proceed as "Demonstration Project" - 2016
- Develop detailed Project Management Plan for the IWW Demonstration Project - 2016
- Obtain Federal/State-level approvals/authorities required to support IWW transaction structure
- Enter into a Project Partnership Agreement with the non-Federal applicant
- Initiate Procurement Process

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Public-Private Partnership IWW P3 Project

Next Steps

- P3 teams meet regularly to share information on project development/evaluation
- Continue development of IWW P3 Project Proposal by ISA, submittal in 2015
- Examine potential P3 structures and funding mechanisms
- Identify process/authority hurdles and develop solutions
- Quantitative evaluation of IWW P3 Demonstration Project
- Further development of new Inland Rivers and Waterways Authority
- P3 Program/Alternative Financing collaboration among Midwest States and partners



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July 2014 UMRBA Navigation Meeting

Summary of State Public-Private Partnership Discussion

1. The states are supportive of exploring how a P3 could advance infrastructure investment on the Upper Mississippi.
2. While WRRDA 2014 provides tremendous potential for improving infrastructure through a P3, there is relatively little knowledge (or examples) of how a P3 would work on a waterway, especially on a lock and dam system that runs along state borders.
3. Participants concluded that robust, thoughtful, iterative dialogue is needed to move from conceptual ideas of how P3s might work to more detailed applications.
4. The discussion should involve the array of stakeholders, including industry shippers and operators.
5. One potential action proposed was that UMRBA form an interstate navigation work group to discuss P3 implementation and shape perspectives. The group did form a navigation workgroup and the Dubuque meeting is an outgrowth of the group.
6. Participants identified the following questions to explore related to P3 implementation:
 - A. How to ensure that a P3 will not supplant federal funding with private investment, but rather supplement federal funding to further investment in infrastructure? Is a P3's purpose to accelerate project completion or bring in additional funding? The public needs to be made aware of the common occurrence that new revenue streams eventually replace previous ones.
 - B. What would be the best suited governance model (financing authority) of an interstate P3? Who would be in charge? What will be its geographic scope? How would the governance model differ for an intrastate P3? Can, and how might, projects be selected and planned through a systemic approach or perspective? How will industry be engaged?
 - C. How is the funding revenue mechanism structured and who pays? Would the revenue be sufficient and predictable enough to attract investment?
 - D. Who would be the private investor(s)?
 - E. What risk would private investors assume and pass off to federal, state, and local governments?
 - F. Would reliability of the navigation system be ensured to provide reasonable risk? Risk is predicated on an assumption of continued maintenance. If something up or down the river fails, the P3 will not be as viable.
 - G. How will other federal, state, and local government mandates or policies shape P3 implementation; e.g., NEPA review, industry cost-share requirements, NESP's comparable progress provision with ecosystem restoration?
 - H. What case studies can be reviewed to gain insights? There are various ways to structure P3 delivery methods.
 - I. Are there funding alternatives other than P3s that merit exploring?
 - J. How will the good, collaborative relationship between navigation and ecosystem stakeholders be maintained?
 - K. Could the TIGER grant application be used to evaluate P3s? Will this depend on the timing of a pilot P3?
 - L. Would NESP deauthorization be a concern if setting up a P3 for one of its authorized projects?
 - M. What is the process and forum for exploring these and other questions?

Upper Mississippi River System Inland Waterway

Stakeholder Survey

2015

Upper Mississippi River System Ports, Terminals, and Operators Workshop

A cooperative effort between the Inland Rivers, Port, & Terminals Association, the Upper Mississippi River Basin Association, and the Mid-America Freight Coalition.



Contact: Ernie Perry, PhD
Mid-America Freight Coalition
University of Wisconsin –
Madison
ebperry@wisc.edu
608-890-2310

February 24 and 25, 2015. Dubuque, Iowa.



Upper Mississippi River Stakeholder Survey:

- Open January 20-February 13, 2015.
- Includes perspectives of up to 50 respondents.
- Provides basis for discussions
 - Issues and opportunities
 - Solutions and Priorities

Thanks to all who participated!



The Process this morning:

- 1) Review the survey results
- 2) General Questions
- 3) Breakout Groups – 8:45am
 - a) Focus areas and actions
 - b) Prioritization and Importance
- 4) Group break-out reports to all
- 5) Discuss and develop Agenda to get more freight on the Mississippi!

Collaboration

Opportunities

Actions



#1 For ports, terminals, and local governments] What commodity(ies)/freight in your surrounding area provides the greatest demand for shipping via the Upper Mississippi?

- Industrial sand
- Bakken and tar sand oil products
- Corn
- Cement
- Coal
- Fertilizer
- Grain
- Soybeans, Soybean Meal, Soybean hulls
- Aggregate
- Scrap metal
- Salt
- Soybean
- Distiller's dried grains (DDGs)
- Clay
- Glass
- Steel products
- Petroleum and Petro-Chemicals
- Food grade oils

#2 What commodities/freight are not currently shipped on the Upper Mississippi?

- Industrial Sand
- Oil/petroleum products
 - Bakken/North Dakota
- Containers
- Automobiles
- Retail goods
- Semi-finished parts
- Parcel freight
- Roll-on/Roll-off cargoes
- Waste materials
- Heavy lift/oversize
- Identity preserved crops
- Ethanol
- Lumber/wood products
- Machinery
- Fabricated metal
- Iron ore
- High value assembled items



#2a What additional infrastructure or development is needed to support those listed in 2?

- Load out facilities between Dubuque and Prescott
- Increase size of Lock and Dam system
- Public docks for larger passenger vessels
- Terminal equipment for containers
- Inland waterway integrated cross-dock
- RORO equipment
- Terminal security systems
- Develop port at old Savanna Army Depot
- Road access/improvements
- Rail access/improvements
- Heavy lift equipment
- Intermodal transfer facilities
- Bulk liquid transload equipment (rail to barge)
- Improved logistics system
- Loadout structure with fugitive dust collection systems
- Improved/Additional terminals
- Improved/Additional fleeting areas
- Reinvestment and attraction of rural industries that utilize bulk freight materials



#3 Trends in next 5-10 years.....



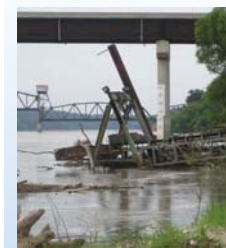
Rail safety, energy products, energy prices, infrastructure change or failure, manage as freight corridor, global markets and panama canal, funding, policy, COB, dredging, rail and road congestion, project cargo, increased exports, new technology, environmental issues, multi-attribute use of waterways...



Q4.

	Is the current Upper Mississippi infrastructure capacity sufficient to support increased shipping demand?	Is the current Upper Mississippi infrastructure condition sufficient to support increased shipping demand?
Min Value	1	1
Max Value	5	5
Mean	2.92	3.74
Mode	Somewhat (14)	Not Really (13)
Variance	1.68	1.43
Standard Deviation	1.30	1.20
Total Responses	36	35

1=very much
2=somewhat
3=undecided
4=not really
5=not at all



#5 What infrastructure types require investment?

Statistic	New lock and dams	Lock and dam rehabilitation	9-foot channel (i.e., dredging)	Ports	Docks	Harbor dredging	Fleet	Fleet services	Pilot Boats
Min Value	1	1	1	1	1	1	1	1	1
Max Value	5	5	5	5	5	5	5	5	5
Mean	2.09	1.63	1.76	2.19	2.25	2.03	2.71	2.68	2.97
Mode	Very Much (13)	Very Much (19)	Very Much (17)	Somewhat (15)	Somewhat (14)	Somewhat (15)	Somewhat (12)	Somewhat (10)	Undecided (13)
Variance	1.59	0.95	1.06	1.23	1.23	1.00	1.08	1.26	1.00
Standard Deviation	1.26	0.98	1.03	1.11	1.11	1.00	1.04	1.12	1.00
Total Responses	33	32	33	31	32	32	31	28	30

Statistic	Mooring cells	Guiding walls	Docks	Intermodal facilities	Other
Min Value	1	1	1	1	1
Max Value	4	4	5	5	5
Mean	2.45	2.82	2.76	2.30	4.67
Mode Rank (n)	2 (11), 3 (11)	3 (13)	2 (11), 4 (11)	1 (17)	NA
Variance	0.94	0.97	1.38	2.34	0.92
Standard Deviation	0.97	0.98	1.17	1.53	0.96
Total Responses	33	33	33	33	33

#6 Small scale improvement Priorities also include: fleeting/staging, lock maintenance, scheduling, connectors, equipment, flood protection.

#7 Rank the infrastructure developments based on their ability to make service routes more direct and accessible.



Statistic	Ports in closer proximity customers	Docks	Intermodal transfer connections	Equipment	Other
Min Value	1	1	1	1	1
Max Value	5	4	4	5	5
Mean	2.28	2.69	2.00	3.28	4.75
Mode Rank (n)	1 (11)	3 (18)	2 (13)	4 (19)	NA
Variance	1.50	0.74	0.90	1.31	0.97
Standard Deviation	1.22	0.86	0.95	1.14	0.98
Total Responses	32	32	32	32	32

#8 Identify at least one example on the Upper Mississippi of where and what new infrastructure development would better facilitate freight mobility.

- **Frac Sand**
 - loading facility between Alma and Trempealeau
 - loading facility in La Crosse
- **Intermodal and heavy duty docking and handling infrastructure in**
 - Quincy, IL.
 - Mile 13-14 on Minnesota River
 - St. Louis
- **New port at old Savanna Army Depot**
- **Government Bridge at Rock Island Arsenal/Lock & Dam 15**
- **Expand any/all lock and dams to 1200'**
- **Investment in higher speed unloading systems and more storage space at terminals**
 - Increase velocity and reduce overall equipment needs
- **Fertilizer and salt moved in winter months**
- **Maintain channel depth via dredging**
 - Find new places to store dredged material
- **Oil transfer terminal or oil refinery on the UMR**

#9

If private investors were to engage in P3, what are investment priorities?

Navigation
Lock and Dams
Terminals/ports
Intermodal facilities
Technology
Systems approach



...dredging, buoys, hi-speed unloading, land, docks, 1200', maintenance, helper boats, mooring, fleet, security, terminals, flood protection, AIS, ecosystem restoration, energy, recognize multipurpose, modernize transportation.....

#9 What regulations constrain freight transportation on the Upper Mississippi?



...environmental for new facilities, dredging, vessel permit, land use; Jones Act; USACE has limits, multiple missions, permit, funding, leadership.....

#10 Solutions?change perception, bar too high, waivers, long shelf life for waivers/permits, dredge materials are good - reclassify, on going, reliable funding, incentive programs, reduce ag subsidies, promote cooperation.



What, if any, policies or regulations best support freight transportation on the Upper Mississippi and must be maintained?

- Balanced approach to industry, health, environment
- Shared waterways
- Marine Highways
- Inland fuel tax
- Incentivize private investment
- NESP



#12 Confusing regulations?

- Cumulative Impacts
- HMT for eventual international trade?
- ESA
- State's role in Interstate Commerce
- Public funds for private venture?
- 408 permits standards
- Coast Guard regs – subchapter M
- EPA's general vessel permit

“There are a number of things wrong with Washington. One of them is that everyone is too far from home.”
President Dwight D. Eisenhower.

13 Would the following types of regional collaboration be of value to you? (+ research, consensus, sharing)

Statistic	Advocacy	Service development	Marketing	Economic Development	Identify other regional collaboration that you would find valuable
Min Value	1	1	1	1	1
Max Value	4	4	4	4	3
Mean	1.81	2.28	2.09	1.77	1.71
Mode	Very Much (17)	Undecided (13)	Somewhat (11)	Very Much (14)	NA
Variance	1.00	0.66	0.86	0.71	1.25
Standard Deviation	1.00	0.81	0.93	0.84	1.12
Total Responses	32	32	32	31	9

#14 What are the biggest opportunities that exist for ports, terminals, and operators to work together on service development or other efforts?

...awareness and education for public, elected officials, across markets; reliability, intermodal and containers, business development, improve efficiency and capacity, cooperation at local, state and national level....

#15 What should state's do to enhance and strengthen river's role in freight movement?

....continue to build relations, support Governor as champions, support MH, NESP, O&M; focus on economic development, educate, update terminals, create master plan, reform environmental laws, expand work with truck and rail, support investment.....

#16 What should the federal government do to enhance ports and terminals and strengthen the river's role in freight movement?

....maintain infrastructure, resolve funding issues, increase funding, streamline permits, develop freight network that includes marine, consider Jones Act, update condition assessment, assess costs/benefits and market, modernize the system....



#17 Based on your answers above, what are the greatest needs for stakeholder advocacy to the Administration and Congress in the following categories?

....New policy or adjustments, private funding, uniform rules, funding support, dredging, capital investment for new cargoes, new infrastructure, intermodal center, P3's, consistent message, understand consequences of no-action, 1200' lock,.....

#19 Other suggestions for improving commercial navigation on the upper Mississippi?

...demonstrate environmental benefits of navigation, increase/improve stakeholder communication with USACE, winter service with ice breaker, deepen channel, make the business case, engage investors, make it a priority, make a plan.

Thank you for Participating!



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