

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*.

Prepared by:

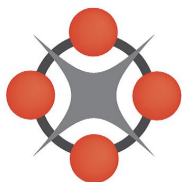
Ernie Perry, PhD
Program Administrator, MAFC
ebperry@wisc.edu

Aaron Jermier
Project Assistant
ajermier@wisc.edu

MID-AMERICA



FREIGHT COALITION



CFIRE

NATIONAL CENTER FOR
FREIGHT & INFRASTRUCTURE
RESEARCH & EDUCATION



This survey was distributed to stakeholders via email from January 20th to February 13th and completed by 50 people. No questions were mandatory to answer due to their open ended nature and to encourage maximum feedback. This resulted in a question response rate ranging from 15-50 people per question. The following is a summarized compilation of survey responses.

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

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
- Improved/Additional fleeting areas
- Reinvestment and attraction of rural industries that utilize bulk freight materials
- Bulk liquid transload equipment (rail to barge)
- Improved logistics system
- Loadout structure with fugitive dust collection systems
- Improved/Additional terminals

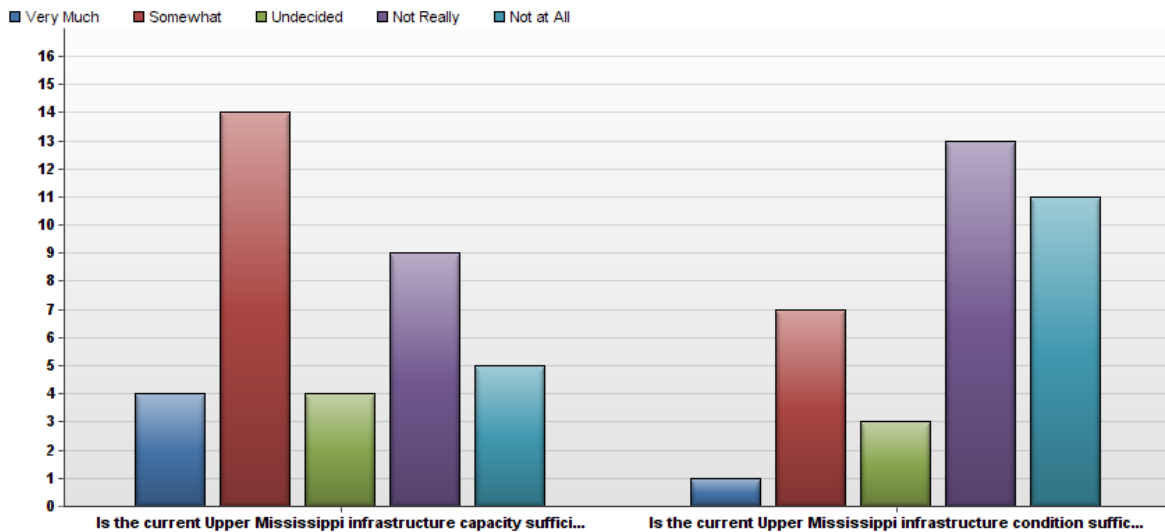
3. Market trends or other changes (commodities, policy, infrastructure) could occur over the next five to ten years and how that trend/change will positively or negatively affect freight shipping on the Upper Mississippi?

- Rail Safety
 - ⇒ Movement of petroleum products
 - ⇒ Need liquid transload facilities
 - ⇒ Pipeline decision may impact
- Panamax
 - ⇒ New capacity at mouth of Mississippi
 - ⇒ Expand locks to 1200'
- WRRDA
 - ⇒ PPP opportunities
 - ⇒ Look to Europe's Marco Polo Program
- Infrastructure Failure
 - ⇒ Outages impacting time definite scheduling and freight
 - ⇒ Lack of investment in last mile connections
 - ⇒ Ice breaking activities to keep rivers open longer
 - ⇒ Funding reform
- Changing fuel prices impact on other modes
- Greater use of technologies
 - ⇒ ITS
- Petroleum from ND and Canada
 - ⇒ Frac sand impact
- Rail Capacity at max
 - ⇒ Expansion of rail capacity may reduce reliance on waterways
 - ⇒ High demand for rail making waterways look more appealing
- Agricultural exports increasing do to farming improvements
- Containers on Barge
 - ⇒ Designate the Mississippi River and Illinois Waterway as a container-on-vessel route under MARAD's Marine Highway Program over the existing M-35 and M-55
 - ⇒ Proposal for Inland Rivers, Ports, and Terminals (IRPT) and Mississippi River Cities and Towns Initiative (MRCTI)
- New Clean Air/Environmental Regulations and other permits



- ⇒ Reduction of coal shipments
- ⇒ Cost prohibitive to do business (salt)
- ⇒ Navigation and Ecosystem Sustainability Program
- ⇒ Prohibitive of moving liquids on water
- Dredging
 - ⇒ Burdensome permit requirements
 - ⇒ Look for other ways to pay for it
- Ethanol production
 - ⇒ Weakening production impact on grain markets
 - ⇒ Higher production due to mandates/subsidies
- Increased Deisel Tax
 - ⇒ Allow for infrastructure improvements
- Peak tonnage moved on UMRS occurred in 1995
 - ⇒ Drop off has been so significant since 1995 with 1% annual recovery it will take 20-30 years just to get back to 1995 tonnage moved.
- Rail and Road Congestion
 - ⇒ Waterway is seen as viable alternative for intra city transport on water
- Heavy lift movements
 - ⇒ Project cargo

4. Considering your answer to 3...

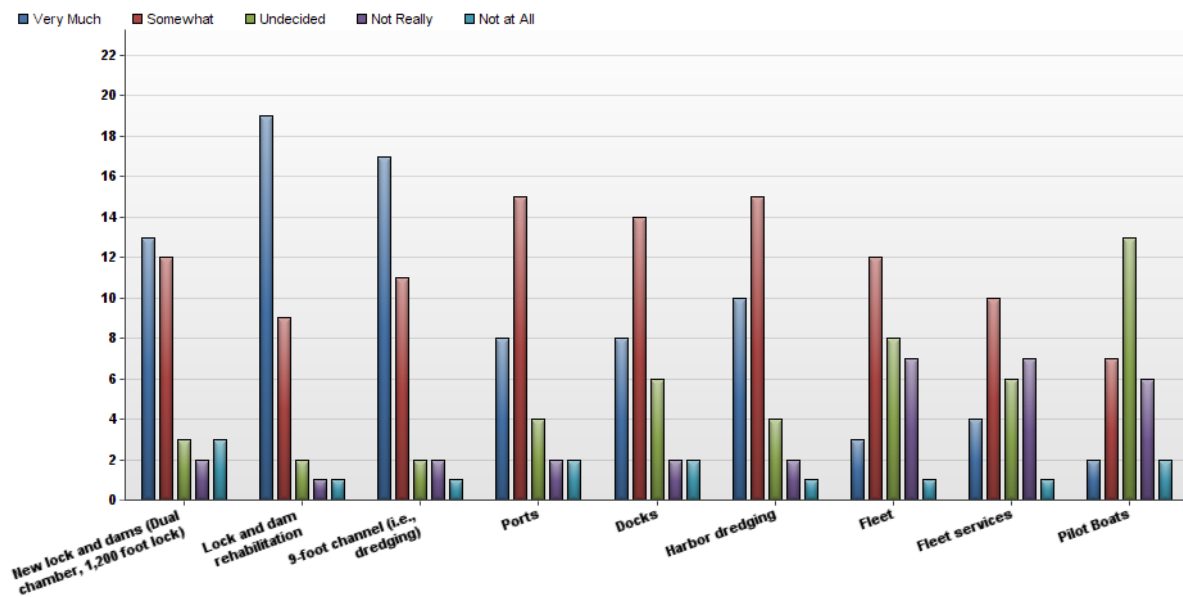




#	Question	Very Much	Somewhat	Undecided	Not Really	Not at All	Total Responses	Mean
1	Is the current Upper Mississippi infrastructure capacity sufficient to support increased shipping demand?	4	14	4	9	5	36	2.92
2	Is the current Upper Mississippi infrastructure condition sufficient to support increased shipping demand?	1	7	3	13	11	35	3.74

Statistic	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

5. If not, what infrastructure types require investment in order to support such growth?





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

Other Responses

- 2-3 designated Trimodal Priority Port Developments
 - Full barge, truck and rail transloading facilities
 - 1200' locks
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
 - Replacement of the swing bridge and lessening of curve where the Canadian Pacific railway line crosses the Mississippi River between La Crescent, MN and La Crosse, WI.
 - 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 a public-private partnership to improve infrastructure on the Upper Mississippi, what would be your top three investment priorities?



- Navigation
 - ⇒ Dredging
 - ⇒ Buoys
- Lock and Dams
 - ⇒ 1200'
 - ⇒ Privatize Corps duties
 - ⇒ Preventative Maintenance
 - ⇒ Helper boats at all locks
- Terminals/Ports
 - ⇒ High speed unloading systems
 - ⇒ Land acquisition for new facilities
 - ⇒ Docks
 - ⇒ Mooring cells
 - ⇒ Additional bulk storage
 - ⇒ Fleeting
 - ⇒ Security
- Intermodal Facilities
 - ⇒ Truck to rail terminals
 - ⇒ Highway and Rail flood protection
- Technology
 - ⇒ Implement River Information Services in UMR
 - ⇒ Ecosystem restoration
 - ⇒ Energy efficiency
- Holistic approach to waterway management
 - ⇒ Recognize and protect shared use and multipurpose nature of river
 - ⇒ Implement modern transport management on UMR

10. What, if any, policies or regulations constrain freight transportation on the Upper Mississippi?

- Environmental Regulation
 - ⇒ Site selection
 - ◆ New industrial facilities
 - ⇒ Fish and wildlife blocking access to dredge spoil locations
 - ⇒ Dredged material site permitting
 - ⇒ Vessel General Permit
 - ⇒ Excessive wetland mitigation ratios
- Jones Act
 - ⇒ Limitation of vessel, crew, and ownership
 - ⇒ Disincentive to innovation and investment, promotes status quo
- Federal Oversight
 - ⇒ Corps of Engineers limited by federal requirements
 - ⇒ Multiple missions on UMR hinder financing
 - ⇒ Lack of encouragement of PPPs/NGOs
 - ⇒ Lack of funding for infrastructure improvement
 - ⇒ Lack of Federal leadership for UMR particularly
 - ⇒ USACE permits hinder development along river
- New Construction of Ports/Docks



- ⇒ USACE and DNR process gets in the way
- ⇒ Regulation of induced head on new docks and dock improvements

Solutions/Modifications to regulation:

- Change public perception
 - ⇒ Very high bar to achieve acceptance and approval
- Temporary Waivers approval
 - ⇒ Market competitive
 - ⇒ Approved, but still regulated
 - ⇒ Prolonged period (ie 6 years)
- Environmental, Fish and Wildlife
 - ⇒ Need to realize that dredged materials islands are helping wildlife
 - ⇒ Dredged materials reclassification to remove hazardous waste label
 - ⇒ Better defined permitting requirements
- Funding
 - ⇒ Perform more like HWTF where large capital projects move forward over long timeframes
 - ⇒ Need reliable and ongoing funding source
 - ⇒ Promote and incentivize private investment
 - ⇒ Reduce agricultural subsidies to offset costs for river improvements, which will benefit agriculture shipping
- USACE
 - ⇒ Promote cooperation between Corps and Shipping industry
 - ⇒ Approvals and permitting leveraged for “pet” project

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

- Balance industrial need with resource protection, public health, and safety
- America’s Marine Highway Program
- Inland Fuel Tax
- Incentivize/allow private investment
- NESP
- Protecting the shared use of waterways

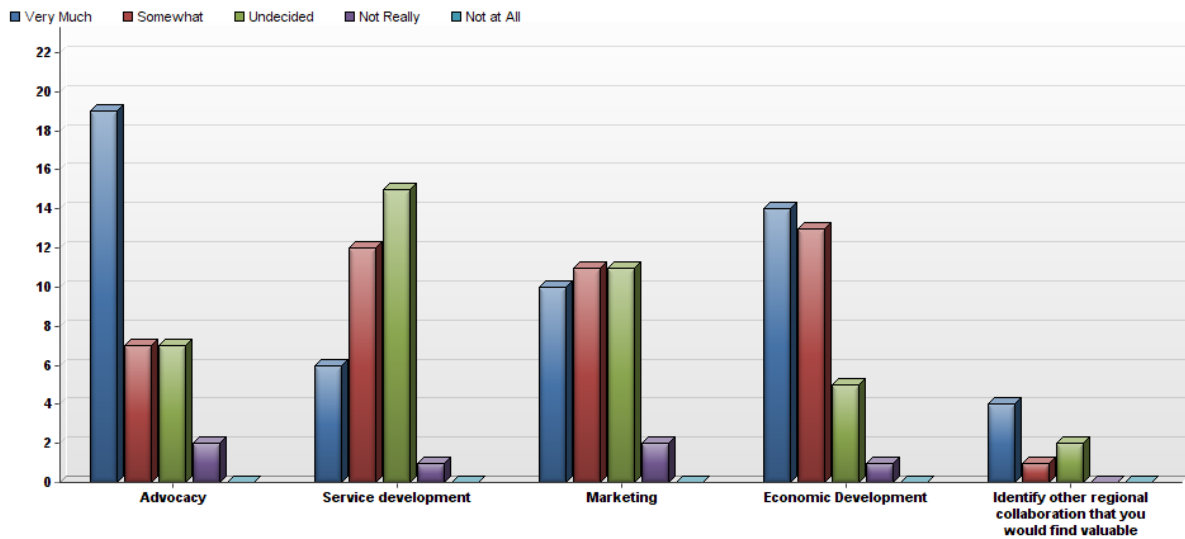
12. What, if any, policies or regulations are confusing and need clarification?

- “Cumulative impact”
- Harbor maintenance taxes
 - ⇒ Inland waterway domestic movements for freight going through a terminal on the path to international trade
- Endangered Species Act
 - ⇒ Rules beyond its scope?



- Ability of state agencies to interfere with interstate commerce
- Public funds for public ports not available to private ports
- USACE 408 permit
 - ⇒ Lack of standard for anything to do with or near the levees
- Coast guard regulations
 - ⇒ Subchapter M – inspection, standards, and safety management systems of towing vessels
- EPA’s VGP
 - ⇒ Vessel General Permit

13. Would the following types of regional collaboration be of value to you?



#	Question	Very Much	Somewhat	Undecided	Not Really	Not at All	Total Responses	Mean
1	Advocacy	17	6	7	2	0	32	1.81
2	Service development	6	12	13	1	0	32	2.28
3	Marketing	10	11	9	2	0	32	2.09
4	Economic Development	14	11	5	1	0	31	1.77
5	Identify other regional collaboration that you would find valuable	4	1	2	0	0	7	1.71



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

Other regional collaboration that you would find valuable

- Regional collaboration addressing the above
- Consensus building around valid and thoughtful regional plans that nest improved performance of IWS into regional economic recovery platform
- Utilizing existing ports and establishing new ports to share information and marketing
- Research related to navigation modernization
- MODOT IDOT to improve highway for transloads

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

- Public awareness
 - ⇒ Benefits and need
 - ⇒ Industry and environment
 - ⇒ Need for efficient and environmentally conscious way to move products
 - ⇒ Flood protection and river traffic
- Reliability
 - ⇒ Only way to true alternative to rail and truck
- Education of Elected Officials
 - ⇒ Market driven forces
 - ⇒ Public sector investment needs
 - ⇒ Extent of beneficial users
- Business development
 - ⇒ More investment in rail and production facilities within region
- Improve efficiency
 - ⇒ Increase utilization
 - ⇒ Improve road capacity
 - ⇒ Intermodal containers
- Marketing
 - ⇒ Advertise advantages
 - ⇒ Regional/basin-wide
 - ⇒ Importers and foreign firms
- Cooperation between state and federal governments to implement improvements
- Expand focus on exports to include short haul
- Develop business models and build O-D network over a larger region for single commodity groups



- Speak as one voice for freight to clarify permits and regulations
- St Louis as regional freight district to implement area projects that will benefit entire region

15. What should the Upper Mississippi states' do to enhance ports and terminals and strengthen the river's role in freight movement?

- Build relationships at the UMBRA level through navigation subcommittee.
- Encourage Governors' offices highlight need for infrastructure maintenance and improvement and balanced approach for ecosystem restoration
- Support marine highway designation, NESTP, and adequate O&M funding
- Form aligned state organizations of local stakeholders with focus on economic development
- Educate general public on how critical river is to nation and world
- Study bottleneck and intermodal connections
- Update grain loading terminals
- Create state and regional water transportation plans with stakeholders
- Reform environmental laws
- Expand coordination with rail and truck
- Support private investment and partner with USACE to advance PPPs
- Support short line railroads that deliver cargo to river facilities.

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

- Maintain the infrastructure they built
 - ⇒ Resolve funding issues
 - ⇒ Increase funding
 - ⇒ Dedicate funding for rail and road access
- Reconsider the Jones Act
- Develop a Strategic Primary Freight Network that includes connectors and terminals on the waterways
- Balance navigation and ecosystem
- Update condition assessments of IWS infrastructure
 - ⇒ Analyze and vet claimed technical requirements for major rehab projects
 - ⇒ Accurately capture O&M costs
 - ⇒ Seek Corps experts in operations (lockmasters) to report when cost savings could be generated to drive down costs.
 - ⇒ Make above available to potential investors
- Fund and implement NESP
- Promote modernization rather than investment in obsolete solutions
- Provide meaningful dialogue with private sector stakeholders
 - ⇒ Reduce infrastructure constraints



⇒ Regulatory reform

- Streamline permits for new development and encourage development

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

a. New (or modifications to existing) policies

- NESP
 - ⇒ Balanced approach to economics on UMR
 - ⇒ Ecosystem restoration given equal play
- Jones Act
 - ⇒ Enable international investors, operators, crew and owners
- IWTF and Olmstead lock changes
- Allow private investment
- Increase federal funding
- Clean air
 - ⇒ Successfully removing coal
 - ⇒ Fertilizer and Salt are next, with huge ramifications for shipping on UMR
- Allow private engineering firms to move ahead on rehabilitation of locks and dams in a PPP
- Don't expand capacity of locks until it is needed
- Understand unintended consequences of Endangered Species Act
- Support reestablishment of the historic river channel
 - ⇒ Actual funding for dredging and disposal
 - ⇒ Stronger voice for upriver sediment transport
- Develop uniform rules and policies for port development

b. Funding support for the following programs or projects

- NESP
- Dredging
- Capital investments in assets for new cargoes at appropriate points of IWS
- Invest, maintain, and protect the river and current facilities
- Grants to increase capacity
 - TIGER funding used more equitably for inland ports and waterways
- 1200' lock and dams
- Major rehab of lock and dams

c. New infrastructure projects

- NESP
- Lock and Dam 25 and Peoria lock on the IL River
- Fully funded projects upfront, no piecemeal
- Conveyors, buildings, higher capacity cranes, dual lock chambers
- Current projects and then 1200' lock and dams



- No new construction, focus on rehab only
- Mooring cells, extending guidewalls
- In-water training structures to move sediment out of difficult areas to dredge
- Only projects in the water, not on land
- Mid-America Intermodal Port

d. Other

- Push for PPPs and bring private capital to IWS modernization
- Consistent and loud message to DC that UMR navigation is key to nation's inland waterway system and a strong economy
 - Efficient way to transport products to Gulf of Mexico
 - Depict the consequences of lack of foresight and funding
 - Transportation delays
 - Total shutdown

18. [For non-federal partners] Would you be willing to engage in advocacy efforts? If so:

a. On what issues?

- Need for full funding of O&M and rehabilitation of existing lock and dams
- Ecosystem restoration projects
 - Recreational economy that restoration creates
- Fostering stakeholder forums at grass roots levels to build a set of state advocacy programs
 - Coalesce around PPP Pilot Programs
 - Engage wide range of beneficial users
 - Funding issues
 - Container on barge
- Science based backing to maintain or improve a working river
- Environmental regulation reform
- Infrastructure
- Dredge disposal sites and Upriver sediment issues
- Facilitating discussion/debate/education and identification of solutions

b. To what degree (e.g., signing regional letters, making Hill visits)?

- Through UMBRA
- Signing regional letters
- Hill visits
- Education of local, state, regional and federal elected and career leadership
- Only interested in regional efforts
- White papers for local officials to carry to DC
 - Local investment in intermodal infrastructure and improvements to access
- District visits



- Mobilizing citizen groups to pressure politicians
 - Local government advocacy to the Feds for an increase in the Marine Fuel tax
19. What other suggestions do you have for improving the Upper Mississippi as a commercial navigation corridor?
- Figure out a way to better demonstrate that environmental benefits more than navigation
 - ⇒ Perception is that if you improve navigation it hurts the environment
 - ⇒ Highlight value navigation bring for environment
 - ⇒ Navigation infrastructure and natural infrastructure are more compatible than public believes
 - Corps is uninformed at what the current system allows and does not allow and the high level needs of the system
 - ⇒ Need better stakeholder cooperation/communication
 - Regular service icebreaker for winter for the UMRS
 - UMBRA should work more closely with the Waterways Council and the Upper Mississippi Waterway Association
 - Customers have year round needs and the river is seasonal
 - ⇒ Need to have rail and truck or storage for when the season closes
 - Deeper navigation channel
 - ⇒ A 12' depth would be more competitive on a cost per ton basis
 - Improve relationships and communication to local governments along the river to let them know what the federal role is.
 - Less lobbying more fact based narrative revealing the regional economy business case for modernization.
 - ⇒ Make argument to citizens....not cheerleaders, bureaucrats, and politicians.
 - ⇒ Now...that case has been "effectively" communicated to new audiences, turn focus to 'path forward'.
 - ⇒ Reveal solutions that don't simply kick ball to federal taxpayer to solve.
 - ⇒ Next, show politicians how it will actually happen...draw them a process map...revealing capacity gap and how alternative financing and fees and dedicated trust (that Treasury can't dip into) will be used to modernize and sustain system....with action plan and timetable.
 - ⇒ Engage investor community.
 - ⇒ Recruit Joint Venture development teams.
 - ⇒ Announce priorities and pilots....real priorities not the Chickamauga and lower Monongahela locks that move little tonnage and compete with UMRS for dollars.