Ouachita River Valley Association

Serving Arkansas and Louisiana

STATEMENT OF THE OUACHITA RIVER VALLEY ASSOCIATION PRESENTED TO THE MISSISSIPPI RIVER COMMISSION GREENVILLE, MISSISSIPPI 1 APRIL 2020

General Toy and Members of the Mississippi River Commission:

It is a great pleasure and privilege as the Executive Director of the Ouachita River Valley Association (ORVA) to present this statement on behalf of our Association.

The Association was organized in 1893 as the "Ouachita River Improvement Association" with the sole purpose of obtaining a year-round commercial navigation system on the Ouachita River in Arkansas and Louisiana. In 1950, the Association was renamed as the "Ouachita River Valley Association." With this renaming convention, came an expansion of its objectives to include the full myriad of benefits that could be derived from water and water resources development throughout the entire Ouachita River Basin.

While the major focus of our nonprofit organization is on the operation, maintenance, and completion of the Ouachita-Black Rivers Navigation Project and associated infrastructure, the Association greatly supports the economic development of projects throughout the Basin. The Association promotes the development of water and land resources projects that are engineered and economically feasible, environmentally sustainable, and publicly acceptable that enhance the general welfare of the people in Arkansas, Louisiana, and the Nation as a whole.

The Association has a proud history of past longevity, achievements, and service. We represent the private sector of the economy and serve as an advocate for individuals and organizations, both public and private, that comprise the constituency of our communities. The Association operates in the States of Arkansas (20 Counties) and Louisiana (17 Parishes) and is governed by a Board of Directors consisting of three officers and seven directors from each state.

Our Association enjoys a tremendous working and professional relationship with the Corps staff and appreciates the continued support of the leadership and staff of the U.S. Army Corps of Engineers and the Commission. It is our hope and intent that this close relationship will continue to grow and nourish as we work in concert with each other to further the development of water and land resources within the Ouachita River Basin.

This statement outlines ORVA's major interests and concerns. In military parlance – lines of effort – which operate within two distinct areas of operation: the upper Ouachita

River Basin primarily within the State of Arkansas and the lower Ouachita River Basin, primarily representing Louisiana. These lines can be summarized as follows:

- Navigation
- Water Supply Municipal, Commercial, and Agricultural
- Recreation and Conservation
- Wastewater Discharge
- Flood Damage Reduction

Navigation

The Ouachita-Black Rivers Navigation Project provides dependable year-round commercial navigation from the mouth of the Black River to Camden, Arkansas, a distance of approximately 330 river miles. The U.S. Army Corps of Engineers currently maintains four locks and dams on the Ouachita River, each having a lock chamber of 84 feet wide and 600 feet in length. The navigation channel is maintained to a nine-foot navigation channel and a 100-foot width to accommodate barge traffic. The term "maintained" however is suspect as insufficient resources have been allocated to keep the river channel dredged.

Considering inflation, the President's Budget for the Ouachita-Black Rivers Navigation Project has depicted a downward trend over the past several years. Fiscal Year (FY) 2016 funding was \$8.1M. Initial FY 2017 funding represented \$8.4M. And thanks to Congressional support, an additional \$2M was added in FY 2017 for dredging operations. Fiscal Year 2018 amounted to \$10.5M. This increase (most likely based on the budgeting process from the previous year) allowed dredging to address the shallow and narrow navigation channels of the waterway. Fiscal Year 2019 totaled \$7.9M, and FY 2020 amounted to \$7.3M. The President's Budget for FY 2021 is \$7.6M. Adding to our disappointment, no dredging dollars were forecasted for the 2020 budget and currently none are reflected in the 2021 budget.

A very conservative estimate of annual needs (not adjusted for inflation) for the Project is roughly \$10.7M in Operations and Maintenance. This conservative estimate represents the minimum annual requirement for the current project.

- \$3.3M for Dredging
- \$1.6M routine Maintenance of the waterway
- \$4M for lock operations
- \$1.8M for recreation

Backlog maintenance equates to more than \$10M and continues to grow with each successive budget year. As we will see further in this document, annual needs for the Project effects multiple uses, or lines of effort.

We understand the Corps can reduce hours of operation for the locks and dams based on a metric of < 1,000 lockages per year. As you know, this has been a hot topic in

previous years. Previously, the Ouachita-Black Rivers enjoyed a 24-hours a day, 7 days a week, 365 days per year operation as directed by law. Currently, Felsenthal and Thatcher are open only 10 hours a day, five days per week. The Association's position is that the Project should be operated as authorized at a full level of service. As we have all heard: "time is money." Limited hours of lock operation may lead to delays which drive up the cost of shipping.

To further exacerbate the issue, with tonnage declining over the past several years, we see a direct correlation between the decline in shipping tonnage and resources allocated to dredging, the removal of mud and silt to keep the Project navigable. However, this is similar to the age-old argument of which comes first: the chicken or the egg? With no dredging operations authorized for the Project, barge traffic is stopped or halted due to barge damage or grounding. Shippers cannot afford the repair or stoppage and therefore must seek alternate methods of transportation. The reduction in shipping (lack of tonnage) correlates to a decline in dredging dollars. This is a metric that we cannot control. As we've already indicated, the President's Budget for this year and Fiscal Year 2021 has no dredging dollars earmarked for the Ouachita-Black Rivers Navigation Project.

Placid Refining, for example, a major shipper on the Ouachita, has had to seek an alternate method of shipping due to the inability to ship due to lack of dredging. The alternate method is to truck their commodity. This generates an increase in heavy transporters on the Nation's highways; an increase upwards of 200,000 trucks per year. The second and third order effects of this action is an increase in the wear and tear of our interstate and state roadway systems, an increase in air pollutants, and an increase in traffic accidents and deaths.

Another major concern is the lower 14,000 feet of Little River where it flows into the Black River. Sediment from high water (this year and the previous year no exception) blocks navigation on this segment of the River rendering it unusable for barge traffic. The Association highly recommends that action be taken to authorize the Corps to dredge this segment of Little River. Adding the lower 14,000 feet of Little River as a feature of the Ouachita-Black Rivers Navigation Project, therefore, would allow the Corps the authority to dredge.

Water Supply

The Ouachita-Black Rivers Navigation Project provides a dependable source of water for municipal, industrial, and agricultural use along its entire length and is becoming an increasingly important component of the River. Several municipalities depend on the Ouachita to provide water supply to residents, to include Monroe and Sterlington, Louisiana and Camden, Arkansas.

A great success story for example, on April 3, 2019, the Vicksburg District, hosted a signing ceremony for two water storage agreements at Lake DeGray near Arkadelphia, Arkansas. The agreement with Central Arkansas Water is for supplying an estimated

100 million gallons a day of water to their customers. The second agreement, with the City of Hot Springs, Arkansas, is for supplying approximately 20 million gallons a day of water to the city.

A recent success story is the City of Hot Springs, Arkansas' \$110M Lake Ouachita water supply project which is moving forward. The Corps' Vicksburg District has been engaged and responsive to the City's needs for the project. The timeline for completion of the intake structure, water transmission mains and water plant is 2023.

Along with municipal water supply is the supply of industrial water by multiple firms within the Ouachita River Valley. These users also depend on maintaining an adequate pool depth to sustain their operations. Union County, Arkansas, for example has a 10 million gallon-per-day treatment plant for industrial water to serve plants there and four electric generating stations in the lower Ouachita Valley use water for cooling the largest generator in Arkansas. These facilities and others are highly dependent on the level of the river, and as we discuss below, locks and dams play a critical role in that level. With a drop in river levels, production at these facilities would be at substantial risk.

An evolving use of the River is for agricultural use. Thousands of acres of agricultural fields, primarily in the southern area of operations of the basin, are becoming more dependent upon irrigation. The net result of which greatly increases the value of agricultural commodity product at harvest.

The Association believes it is highly critical and therefore fully supports adding water supply to the language of the Water Resources and Development Act. A strong point discussed with both Arkansas and Louisiana congressional delegations during its recent visit to our Nation's capital. The authorization of the water supply as a feature of the Ouachita-Black Rivers Navigation Project is critical.

Recreation and Conservation

Currently there are 21 U.S. Army Corps of Engineers recreational areas along the Ouachita-Black Rivers and its tributaries with visitation to these sites totaling more than 700,000 annually. With other recreational area managed by state, local, and private entities, it is estimated that the total visitation exceeds two million annually providing a huge economic impact to the Ouachita River Basin.

In Hot Springs, Arkansas alone, visitor spending has increased 29% since the last comprehensive tourism industry research study in 2013. In addition, visitor spending reached \$677M according to research by Longwoods International, which presented the report to the public and tourism industry at the Hot Springs Convention Center on August 19, 2019. Of this record-setting \$677M, \$186M was attributed to restaurants and bars, \$143M to retail sales, hotels and other accommodations amounted to \$129M, sightseeing, entertainment and recreation at \$142M and local transportation totaling nearly \$78M.

According to the report, in 2018, Hot Springs welcomed 7.9 million visitors, up 18% over 2013; 2.9 million or 26% was overnight trips and 5 million, or 74%, were day trips with the average age of visitors at 41, 5 years younger than the U.S. norm.

The economic value associated with tourism and recreation alone at the Ouachita, DeGray, and Greeson Lakes, an integral part of the Hot Springs community and economic system, is tremendous with more than one million visitors annually to these three Corps Lakes. The Ouachita Field Office represents the "crown jewel" of Corps' Field Offices built on the scale of a "Big Cedar" production. This Field Office is a showcase facility for the Mississippi Valley Division and the entire Corps. This investment represents the very best for the surrounding communities and the people of Arkansas and is a huge tourist and economic draw for the area.

At the other end of the spectrum is the Lake DeGray Field Office. It is the last remaining facility to be replaced at the Vicksburg Districts Arkansas Lake Projects. Constructed in the 1960's it consists of masonry constructed walls, flat roofs, generates high energy demand, contains limited floor space, exhibits a substandard interior condition, and contains asbestos or asbestos containing material. The existing facility fails to meet existing building and electrical codes and fails to meet requirements of the American Disabilities Act.

Construction for the new Lake DeGray Field Office and Interpretive Visitor Center, representing a \$2.3M need, has been backlogged for more than ten years. Plans and specifications, geotechnical and survey work have already been prepared for the current selection site. The site utilizes current utilities, access roads, physical security, proximity to other recreational areas with ease of visitor access, visibility of dam/intake structures, proximity to shop and maintenance facilities, and the land is very suitable for construction.

We realize other construction options are available but these options represent a "restart" to the planning process with initial estimates requiring upwards of an additional \$2.5M. The Association communicated this need with members of the Arkansas delegation – U.S. Senators John Boozman and Tom Cotton and Congressman Bruce Westerman representing the Fourth District – recently during its March Congressional visits with favorable results.

The Corps lakes are a huge component of Arkansas' tourism product. To fully support the necessary backlog maintenance of the three Corps lakes: Ouachita, DeGray, and Greeson, additional resources are needed. Fiscal Year 21 capability is estimated at \$46M. In addition, construction of the Lake DeGray Field Office and Interpretive Visitor Center, combined with upgrades to the Corps campgrounds is an important investment that will pay huge dividends to the people of Arkansas.

Concerning wildlife conservation, two national wildlife refuges – Felsenthal and the Upper Ouachita, 65,000 and 40,500 acres, respectively – lie adjacent to the Ouachita

River in Arkansas and Louisiana, and are operated by the U.S. Fish and Wildlife Service. Felsenthal National Wildlife Refuge contains an abundance of water resources and is dominated by the Ouachita and Saline Rivers and the Felsenthal pool. The periodic flooding of the "bottoms" during winter and spring provide excellent wintering waterfowl habitat. The Upper Ouachita National Wildlife Refuge, located in northeast Louisiana, is bisected by 18 miles of the Ouachita River. In years of normal or above rainfall, the refuge is a very important overflow for the Ouachita River floodplain and also provides waterfowling opportunities. Both Felsenthal and Upper Ouachita National Wildlife Refuges contribute greatly to the economy of the people and communities of southeast Arkansas and northeast Louisiana.

Wastewater Discharge

Although not a major line of effort, wastewater discharge is a fact of life; a reality we must face every day. Because wastewater discharge is based on the volume of water in the river, volume is therefore dependent on the level of the river. The dilution of wastewater is key. So how much can be absorbed by the river? A high volume, fast flowing body of water allows for the discharge of greater pollutants. Conversely, a low volume, slow moving body of water can absorb little discharge.

Nature plays the major role in this entire process and volume is dependent on the level of the river. However, in large part, the level of the river can be controlled and made somewhat dependent on the locks and dams to maintain minimum water volume. Should the locks and dams not be maintained, the river level cannot be maintained, and subsequently there would be less discharge.

Two key factors, therefore, are involved in the discharge process: the flow and level of the river. The bottom line is the amount of pollutant the river can handle, which boils down to the amount of dilution, which equates to the level of necessary water treatment. The level of water treatment requires greater capital expenditures from entities and businesses which ultimately equate to greater costs to residents. So, the end result is: the maintenance of the locks and dams is also critical to this line of effort. This is a second and third order effect that is often overlooked.

Flood Damage Reduction

Although flood damage reduction is not an official authorized project purpose of the Ouachita-Black Rivers Navigation Project, flood damage reduction is of paramount importance to ORVA. And although not a part of the navigation project, the Ouachita River levee system is closely associated with navigation, especially in the southern operational area of the basin, as it provides flood damage reduction. The Association is greatly concerned by bank caving and other erosion problems on the Ouachita and Black Rivers in multiple areas. These critical erosion issues occurring all along the Ouachita and Black Rivers threaten to cause catastrophic flooding and, in turn, hinder navigation.

The Water Resources and Development Act (WRDA) of 2007 included language restoring 43 miles of the upper east bank, 1.9 miles of floodwall in Monroe, Louisiana, and 7.2 miles of levee on the west bank of the Ouachita River Levees Project as part of the Mississippi River and Tributaries (MR&T) Project. These restorations were critical as it made maintenance of the levees a Federal responsibility; local interests were never capable to support the necessary maintenance to any acceptable standard. The Act, however, did not reinstate the lower 63 miles of the east bank from Monroe south where the majority of erosion and damage occurs. Recent flooding and high-water levels have substantially increased the possibility for system failure of the levee system leading to potentially catastrophic results. The Association believes it paramount, therefore, to add the lower 63 miles to the MR&T Project.

In summary, even though shipping tonnage on the Ouachita River in recent years has exhibited a downward trend, the economic value from all uses of the river remains extremely high. From a November 2017 report researched and prepared by Robert C. Eisenstadt, PhD and Paul S. Nelson, PhD for the North Louisiana Economic Partnership, the rivers' economic value generates nearly \$5.7B in annual economic activity, with commercial use returning roughly \$1.2B in income to households in Arkansas and Louisiana. In addition, all commercial use of the river is linked to nearly 21,000 full-time jobs for Arkansas and Louisiana residents. The Project is more important than ever to the welfare and economic success of the Basin.

Although this recent COVID-19 crisis within our Nation precludes a personal presentation, ORVA greatly appreciates the opportunity to address our interests and concerns via this statement.

In summary, ORVA greatly appreciates your assistance and support in obtaining additional Operation and Maintenance funding for the following:

- Dredging
- Backlog maintenance for the Project
- Modifying the Ouachita-Black Rivers Navigation Project to include bank stabilization as a project feature
- Placing the lower 63 miles of the east bank of the Ouachita River levee to the MR&T project
- Supporting the authorization of the water supply as a feature of the Project
- Giving strong consideration to construction of a Corps Field Office and Interpretive Visitor Center at Lake DeGray, Arkansas
- Funding backlog maintenance for the three Corps lakes, and
- Supporting the authorization of the lower 14,000 feet of Little River as a feature of the Navigation Project.

The Ouachita River Basin is a basin of opportunity for the citizens of Arkansas and Louisiana, albeit the entire Nation. As you can see, the Ouachita River contributes substantially to the growth and economic development of the entire Ouachita River Basin and as we've outlined in this statement, the Corps is integral to this growth and

development. The Association remains committed to the water and land resources projects of the basin and to the corresponding welfare of the people and communities of Arkansas and Louisiana.

On behalf of the Ouachita River Valley Association, we extend our appreciation and express our sincerest thanks for the relationship we have enjoyed for the past many years. Thank you for the opportunity to present this statement and for what you do every day for the people and communities within the Basin and for our great Nation.

We look forward to the many successes that lie ahead as we work together – our Association and the Corps – for the mutual benefit of the people of the Ouachita River Basin. It truly is a river basin of opportunity.

Sincerely and respectfully,

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