Deeper Will Not Be Cheaper For Mississippi

Baton Rouge, La. (AP) — A panel studying the deeper dredging of the Mississippi River has found that the major hurdle for the project is one of money.

The question: How to come up with nearly $300 million.

Consultants hired by the Governor's Task Force on Deep Draft Vessel Access for about $350,000 said Tuesday the project would lower transportation costs by $16 million a year for a 45-foot channel and by $122 million with a 55-foot channel.

In addition, more than 3,500 jobs would be created, the consultants said.

The task force took the recommendations under advisement and said it would take action at a Sept. 2 meeting.

The river now has a 40-foot channel from the Gulf to Baton Rouge and a 55-foot channel was initially proposed when Gov. Dave Treen created the task force in March of 1982.

The final recommendation of the consultants is a 45-foot channel to begin with and authorization for a 55-foot channel later.

A deeper channel would allow larger ships to move up to the Mississippi as far a Burnside in Ascension Parish to load coal and grain.

The vessels then would move back to the Gulf where offshore loading terminals would add even more coal or grain.

The nearly $300 million cost for the dredging of a deeper channel from Southwest Pass in the Gulf to Burnside in 192 miles would be doubled if the river was further dredged the short distance from Burnside to Baton Rouge, the task force was told.

Don Ayres, a member of the Baton Rouge Port Commission and a member of the task force, said he was concerned that the capital city might lose trade.

Only 48 river miles would have to be dredged from the Gulf to Burnside because much of the river is 100 feet deep, the task force was told. However, the channel must be widened to 750 feet to allow two-way traffic and that is where the dredging dollars come in, said the consultants.

Of the construction costs, including relocating some terminals along the river and other items excluding dredging, the public sector would have to pay $77 million and private industry, $42 million, the report said.

The actual dredging would cost private industry $169 million through user fees and taxpayers $53 million.

That's just for the extra 5 feet of dredging to the 45-foot depth.

Leo Donald, one of the financial consultants, said that by Christmas of 1984, Congress is expected to approve user fees but no one knows how much of a cut the federal government wants and how much would be left for the states.

Task force members said the federal government should pay much of the tab since the various states along the Mississippi would benefit.

Without any federal help, Louisiana would need to pass taxpayer-paid bonds of $57 million just to begin the project and pay for a short-term deficit, he said.

Ultimately, the user fees on ship companies would pay for most of it and erase the deficit, he added.

"The problem is the desire of the world fleet to use it and to pay the fees," he said, adding that he believed supply and demand would come into play and that this would use the channel.