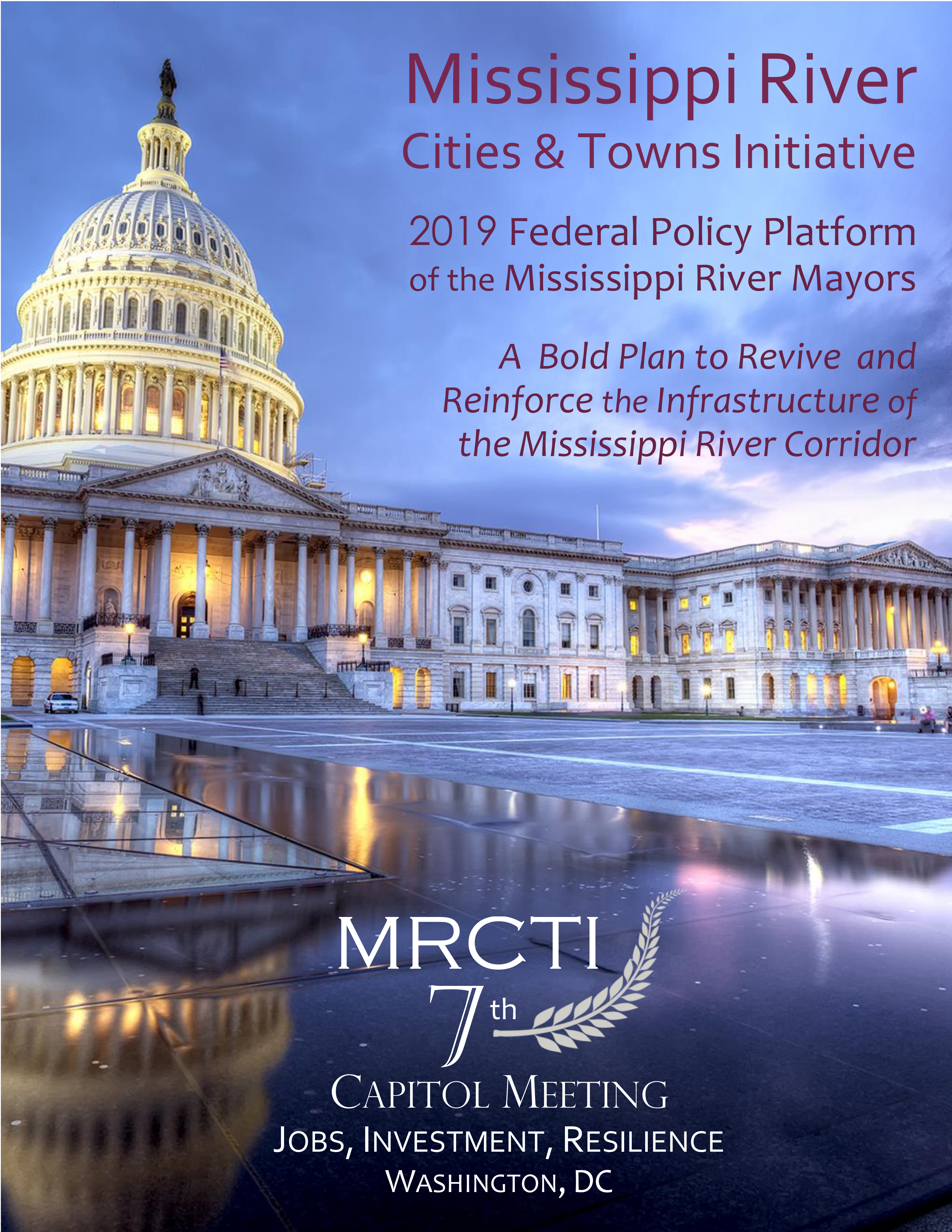

Mississippi River
Cities & Towns Initiative

2019 Federal Policy Platform of the Mississippi River Mayors

A Bold Plan to Revive and Reinforce the Infrastructure of the Mississippi River Corridor

MRCTI

7th

CAPITOL MEETING

JOBS, INVESTMENT, RESILIENCE

WASHINGTON, DC

Mississippi River
Cities & Towns Initiative
2019 Policy Platform
Jobs, Investment, Resilience

Contents

The Mississippi River Cities & Towns Initiative (MRCTI) is an association of United States Mayors in ten states along the main stem Mississippi River from headwaters to the Gulf of Mexico. All members of MRCTI are U.S. mayors. All content of MRCTI publications is congruent to MRCTI policy as adopted pursuant to association bylaws by the Co-Chairs and Executive Committee of the association.

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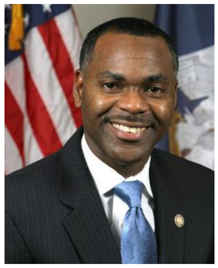


Lionel Johnson
Mayor of St. Gabriel, LA
MRCTI Co-Chair

Executive Summary

A Plan to Revive and Reinforce Mississippi River Corridor Infrastructure

It is our privilege to present the MRCTI Federal Policy Platform for 2019 to our national leaders and regional stakeholders. *Our plan is simple: build jobs, investment and resilience in our region by bringing national resources through innovative finance structures into the most significant infrastructure our country maintains.*

Our Association is comprised of both highly urbanized cities and spacious rural towns whose economies are codependent. The strength of our association directly stems from our 88 communities whose populations span from hundreds to millions. Our Corridor is a resplendent national treasure—our home, our way of life.

This platform of twelve appropriation priorities and an infrastructure vehicle proposal work to address the acute shocks and chronic stresses our region has sustained over the last several years totaling more than $200 billion in actual losses since 2005, $50 billion since 2011, and over $10 billion since 2016.

The Mississippi River transports more than 60 percent of America's corn and soybean exports and 40 percent of the nation's total agricultural output. The River also drains all or a portion of 31 states providing billions of dollars in natural flow regulation services annually. On the Mississippi River Main Stem, the River's ecology provides 80 billion gallons of fresh water withdraws to industries as well as drinking water to 20 million people in 50 cities.

According to the U.S. Chamber of Commerce the waterways and ports of the ten-state Mississippi River Corridor alone provide over 500,000 jobs generating $83.6 billion in annual revenue. The natural infrastructure provided by the River ecology provides one of the most important resources to our manufacturing economy – clean fresh water. The natural infrastructure of the Mississippi River Delta on its own provides $12 to $47 billion in benefits to the economy annually.

Yet, all of this economy is at risk due to natural and built infrastructure decay. Infrastructure failures on the Mississippi River lead to closures costing the nation over $300 million per day. And, of the ten states along the River, three of them are in the top five for inland waterways; and Louisiana ranks first in ports.

Therefore, the Mayors of the Mississippi River present this $7.86 billion *jobs, investment, and resilience plan* that supports eight major economies, creates over 147,000 jobs, and generates more than $23.58 billion in economic activity.

The Mississippi River is America's most essential inland waterway because it is the world's most agriculturally productive basin and largest navigable system with the greatest trade footprint of any river in the western hemisphere. The Mississippi River generates nearly $500 billion in annual revenue directly supporting 1.5 million jobs. What follows is the Mayors' recommendation of federal programs to support and strengthen that will achieve return to the American tax payer if given to built and natural infrastructure renewal.

MRCTI

Appropriation Priorities

Agriculture, Rural Development, and Related Agencies

◊ Emergency Watershed Protection Program, U.S. Department of Agriculture, Natural Resource Conservation Service	$157 million
◊ Urban and Community Forestry Program U.S. Department of Agriculture, U.S. Forest Service	$30 million

Energy & Water

◊ Mississippi River Civil Works Operations & Maintenance, U.S. Army Corps of Engineers	$1.0 billion
◊ Navigation and Ecosystem Sustainability Program/UMRR, U.S. Army Corps of Engineers	$1.033 billion

Homeland Security

◊ FEMA Pre-Disaster Mitigation Grant Program,	$250 million

Interior, Environment, & Related Agencies

◊ Wetland Program Development Grants, U.S. Environmental Protection Agency		$15 million
◊ Section 319 Water Pollution Control Grants, U.S. Environmental Protection Agency		$200 million
◊ USGS Water Resources Program, U.S. Department of Interior, U.S. Geological Survey		+11 million to baseline spending
◊ City Water Infrastructure Modernization Grants, U.S. EPA		$3.26 billion
Drinking Water/Clean Water State Revolving Loan Funds	$3.0 billion	
Water Infrastructure Finance & Innovation Act	$50 million	
Drinking Water Infrastructure Resilience & Sustainability Program	$4.0 million	
Innovative Water Technology Grant Program	$10 million	
Sewer Overflow and Stormwater Reuse Municipal Grants	$225 million	
Community Water System Risk and Resilience Program	$25 million	

Transportation, HUD, & Related Agencies

◊ America's Marine Highway Grant Program, U.S. Department of Transportation, Maritime Administration	$10 million
◊ U.S. DOT BUILD Grant Program,	$1.5 billion
◊ Transportation Infrastructure Finance & Innovation Act U.S. Department of Transportation	$300 million

Infrastructure Vehicle Priorities

◊ Include a Community Resilience Revolving Loan Fund (RRF) for floods and additional hazards

◊ Include critical recycling and waste management infrastructure in any comprehensive infrastructure vehicle;

◊ Establish a mechanism by which environmental enhancement and restoration projects assisting built infrastructure be given priority agency review;

◊ Protect human health and safety by retaining full review procedures that shield public lands, our water, and our air from unintended consequences.

Agriculture, Rural Development & Related Agencies

Emergency Watershed Protection Program……………………………….$157 million
U.S. Department of Agriculture, Natural Resource Conservation Service

Background:
Through the Emergency Watershed Protection (EWP) program, the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) helps communities address watershed impairments that pose imminent threats to lives and property. If land has suffered damage due to flood, fire, drought, windstorm, or other natural occurrence, EWP is designed to assist in the natural recovery of that land.

EWP program addresses watershed impairments, which include, but are not limited to:
- Debris-clogged stream channels;
- Undermined and unstable streambanks;
- Jeopardized water control structures and public infrastructures;
- Wind-borne debris removal; and
- Damaged upland sites stripped of protective vegetation by fire or drought.

Floodplain easements for restoring, protecting, maintaining, and enhancing the functions and values of floodplains, including associated wetlands and riparian areas, are available through EWP. These easements also help conserve fish and wildlife habitat, water quality, flood water retention, and ground water recharge, as well as safeguard lives and property from floods, drought, and erosion.

The Issue:
Mayors are more concerned with mitigating for the next disaster to control costs and continued deterioration of natural infrastructure which harms the economy. Mayors need programs that don't concentrate on bringing the landscape back to the state it was before the disaster, but improving resilience and immediately addressing vulnerabilities that exacerbate impacts.

The Emergency Watershed Protection Program meets all our characteristics for restoring our natural infrastructure making it more resilient for persistent and unprecedented impacts. Counties which meet most or all census track thresholds for EWP are situated along the Mississippi River main stem from the border of Iowa and Missouri to Baton Rouge, LA comprising over half of the River's entire length. EWP has only been funded one time in the life of the program at $157 million leaving just $2.4 million for FY 2016 and FY 2017.

Therefore, Mayors of MRCTI urge Congress to allocate $157 million in new funding to EWP so that crucial funds will be available to address and reduce the cost of more frequent disasters. Mayors do find the Watershed Flood Prevention Operations Program valuable, but projects are not prioritized around disaster impacted areas nor do they typically address larger watersheds.

Urban & Community Forestry Program…………………………..$30 million
U.S. Department of Agriculture, Natural Resources Conservation Service

Background:
Investing in urban and community forests increases property values, bolsters businesses and community-level gross domestic product, and provides energy cost savings. A Forest Service study conducted in five U.S. cities found that every dollar invested in the management of urban trees, like those invested through the UCF program, yields annual benefits of $1.37 to $3.09.

The Urban & Community Forestry Program (UCF) has served over 8,000 communities nation-wide with 35 percent of those served being small rural towns. There are 140 million acres of urban and community forest lands in the nation that require administration. Trees provide $6.8 billion in health benefits due to the pollution they remove from soil, water, and air but like any other infrastructure inventory, trees must be managed.

The Issue:
Urban and community forests are critical natural infrastructure that mitigate for and assist in the recovery of disasters. Urban forests are especially valuable in absorbing the impacts of intense heat episodes by reducing the heat island effect that plagues cities. Urban forests also regulate localized flooding by providing more absorbent urban runoff catch-basin areas. Finally, drought impacts can be lessened with urban forests by retaining moisture through shading. Urban tree canopies can also prolong the life of built infrastructure by reducing exposure.

Therefore, the Mississippi River Cities and Towns Initiative mayors urge Congress to allocate the fully authorized amount for the UCF program due to the multiple benefits urban forests provide our communities including: disaster resilience, water regulation, property value increase, reduced crime, food/water access, and heat island moderation.

Energy & Water

Mississippi River Civil Works Ops & Maintenance………….$1.0 billion U.S. Army Corps of Engineers

Background:
The Army Corps of Engineers' Civil Works program budget funds the Mississippi Valley Division civil works program, which manages critical activities needed to reduce the risk of flood impacts in River communities, facilitate economically vital waterborne transportation, restore significant aquatic ecosystems, generate low-cost renewable hydropower, and support the River region's jobs.

The Issue:
However, despite the critically-important nature of such projects, the Army Corps of Engineers' Civil Works programs are consistently cut. A funding level of $3.0 billion for the Corps' Mississippi River civil works activities specifically ($1.0 billion for operations/maintenance, $967 million for MR&T as well as $1.033 billion for NESP) will allow the Corps to bring essential infrastructure out of a state of compromise and provide dimensions for the channel that allow freight to use said infrastructure unhindered.

Therefore, the Mississippi River Cities and Towns Initiative mayors urge Congress to oppose cuts to and support the maintenance of the Army Corps of Engineers' Civil Works program budget at a funding level of $3.0 billion for Mississippi Valley Division civil works program specifically.

Navigation and Ecosystem Sustainability Prog/UMRR……$1.033 billion U.S. Army Corps of Engineers

Background:
The Navigation and Ecosystem Sustainability Program (NESP) is a long-term plan of navigation improvements and ecological restoration that benefits the entire inland waterway system.

NESP aims to reduce commercial traffic delays while restoring, protecting, and enhancing the environment. NESP implements an integrated, dual-purpose plan that progresses toward economic and environmental sustainability of the River. NESP can advantageously build from the existing Upper Mississippi River Restoration Program (UMRR, $33 million); and then, UMRR can help ensure continuous benefits after NESP's 15-year duration has completed.

As authorized by Congress, NESP includes $1.948 billion in navigation improvements and $256 million for targeted, cost-effective efficiency measures while at the same time providing for $1.717 billion toward a 15-year ecosystem restoration program that includes an additional $10.42 million annually for critical monitoring.

The Issue:
The domestic movement of materials and commodities is pivotal to our nation's economy and the Mississippi River's built and natural infrastructure contribute to that obligation beyond any inland waterway. Yet, lock outages have increased 700 percent nationally over the past decade and ecosystem degradation has played a significant role in exacerbating disaster impacts. There is a cost-effective program ready to address these issues if implemented as authorized.

- *Equipping the U.S. Army Corps of Engineers with the data needed*: The feasibility study for NESP, which was approved by the chief of engineers and authorized by Congress, outlines specific incremental steps for navigation efficiency; the first one being to complete construction and implementation of non-structural and targeted measures. Following non-structural and efficiency measure implementation, economic and efficacy studies will guide future action on lock construction ensuring more public benefit and less government waste.
- *Providing for both built and natural infrastructure*: The NESP authority requires the Corps to spend near-equally towards ecosystem restoration and navigation improvements.
- *Facilitating long-term benefits*: The NESP feasibility study promises ongoing restoration funding beyond the life of navigation projects. For as long as navigation continues on the Mississippi River, restoration and monitoring programs will be necessary to protect the environmental services our economy depends on.

Therefore, Mayors urge Congress to fully fund NESP ensuring a 1) persistent support of our natural infrastructure: NESP promises nearly $2 billion for ecosystem restoration over the life of the program. This component is essential to our manufacturing, water supply, and tourism economies. Thus, it is imperative this work continue unhindered through the life of the program and beyond. 2) Efficient and tailored federal role: It is important Congress empower the Corps of Engineers to clarify new institutional arrangements with USGS and other partners to ensure there is no disruption in long-term monitoring and restoration as NESP is implemented.

Homeland Security

Pre-Disaster Mitigation Grant Program……………………….$250 million
Federal Emergency Management Agency

Background:
The Federal Emergency Management Agency's Pre-Disaster Mitigation (PDM) program effectively reduces threats to Mississippi River Valley populations and structures at risk by funding preparation in advance of natural disasters, while also reducing the River region's reliance upon Federal post-disaster recovery funds. PDM provided over $70 million in pre-disaster planning and mitigation to 39 states and territories in 2011, saving money by investing in disaster preparation, when every dollar spent on disaster mitigation yielded four dollars in benefits. We applaud the Congress' renewed support for the value of PDM as a program that protects our communities and makes our economies more resilient.

Two cycles in a row now have provided $246 million for PDM. This marks tremendous progress from the original $22 million placeholder the program languished in for several years. Further, not only has PDM enjoyed considerable increase in resources but al has been recently expanded on a policy level to provide for a multi-state option that allows states to partner on larger cross-border projects. Now, a new threat faces PDM that has changed the very nature of the program itself and removed PDM's annual appropriation all together.

The Issue:
The newly enacted Disaster Recovery Reform Act of 2018 gives the President authority to set-aside an equivalent of up to 6 percent of certain types of future disaster assistance for pre-disaster mitigation projects, creating a permanent funding source for such activities. This new provision was envisioned by Congress to create an additional capacity within PDM's annual appropriation not replace it. However, a 2019 FEMA interpretation of the Reform Act removes all Congressional authority around PDM and hands it squarely to the Executive Branch thereby replacing the PDM annual appropriation completely.

Further, the larger issue of disaster frequency creating unprecedented costs has not commuted. Since 2005, the Mississippi River Valley has sustained successive 100, 200, and 500-year flood events, a 50-year drought, Hurricane Katrina, and Hurricane Isaac. Disasters along the Mississippi River have become persistent incurring over $200 billion in actual loss since 2005, $50 billion since 2011, and over $10 billion since 2016. Over the last ten years ten or more disaster declarations were designated in thirty states; six states have received twenty or more.

Therefore, the Mississippi River Cities and Towns Initiative Mayors call upon Congress and the Administration to preserve and fully fund the Federal Pre-Disaster Mitigation Program at $250 million for FY 2020. Further, Mayors urge Congress to clarify as soon as possible that the Disaster Recovery Reform Act of 2018 does not replace PDM's annual appropriation but adds to the existing capacity of the program and that Congress in no way intended to surrender its authority to provide funding to PDM through regular appropriations.

Interior, Environment, & Related Agencies

Wetland Development Program Grants………………………..$15 million U.S. Environmental Protection Agency

Background:
Wetlands are a complex ecosystem that provide a myriad of services and benefits to near-water communities including water quality improvement, pollution control, flood protection, fisheries, recreation, and commercial harvests of rice, reeds, and hay.

Wetland Development Grants (WDG) assist local government agencies in building programs to protect, manage and restore wetlands. States and local governments are eligible to apply for the Regional WDG Request for Proposals (RFPs). WDGs provide applicants an opportunity to develop and refine comprehensive state, local government wetland programs. These programs are meant to build the capacity of state, local governments to increase the quantity and quality of wetlands in the U.S. by conserving and restoring wetland acreage and improving wetland condition.

It is difficult to overstate the benefits of wetlands due to their efficient water regulating capacity. For instance, a single wetland can remove the same amount of pollutants as a $5 million treatment plant without the adjoining energy, maintenance, and capitol costs as the built equivalent.

The Issue:
The Upper Mississippi River Basin has lost over 80 percent or 64 million acres of wetlands since the close of the 18^{th} century leaving our region exposed to disasters that would normally be absorbed by wetland capabilities. A single wetland acre can store as much as one million gallons of water. Collectively, wetlands provide several hundred million dollars in water flow and regulatory services annually.

Further, outdoor recreation and tourism comprise the second largest economy on the Mississippi River supporting a sport fishing industry that generates several billion dollars in annual revenue. Up to 90 percent of recreational fish catch depends on wetlands for an essential portion of the life cycle. On the terrestrial side, half of all North American bird species nest or feed in wetlands and the Mississippi River Valley is home to the largest most populated migratory flyway in the continent supporting a multi-billion bird and large game hunter economy.

Therefore, the MRCTI Mayors call upon Congress to fund Wetland Development Program Grants at $15 million for FY 2020. In tandem with WDG support, MRCTI mayors also recommend adding designated project areas to the Five Star Urban Waters Program that includes the Mississippi River and major confluence areas such as the St. Croix, Cedar, Missouri, Ohio, and Arkansas Rivers. Finally, MRCTI mayors strongly recommend allocating the full share due to the Land & Water Conservation Fund so that the maximum benefits of that program may be realized and fully compliment the work of the urban waters and wetland grants.

Section 319 Water Pollution Control Grants…………………$200 million
U.S. Environmental Protection Agency

Background:
EPA's Clean Water Act Section 319 Categorical State Grant Program provides grants (known as "Water Pollution Control Grants") to states for prevention and control measures that improve water quality. $164.92 million was enacted for FY 2016 for Clean Water Act Nonpoint Source (Section 319) Grant Program ($5.66 million over the FY 2015 enacted level). This spending is directed at state and tribal efforts designed to implement water pollution controls and strengthen nutrient control efforts consistent with EPA state nutrient reduction framework.

The Issue:
Section 319 Water Pollution Control Grants are the only grant within the EPA portfolio specifically intended to reduce non-point pollutants and toxins from entering waters of the U.S. The Mayors see nutrient loading as one of the most significant threats facing the water quality of the Mississippi River and all its aquatic systems that support cities' economies.

MRCTI has held discussions with stakeholders throughout the corridor to determine how mayors can play a valuable role in reducing nutrient loading into the Mississippi River. Out of the ten Mississippi River states, only Minnesota and Illinois have set both nutrient reduction goals and timelines. Two states have set reduction goals, but no timelines, and six states have neither. States have explained to us that budget constraints are one of the main causes for not pursuing nutrient reduction more directly. Funding is needed to deploy robust monitoring as well as conduct the research needed to set credible goals. Thus, mayors are working to see how they can help states secure more funding resources through the only non-point source grant program – 319. MRCTI's proposal pends on the approach that more revenue generated by our resources can be placed back into those resources to sustain the valuable environmental services they provide such as drinking water.

The funding level for FY 2019 of $163 million increased the spending for 319 grants as compared to the FY 2016 enacted level in order to begin meeting the needs of states for controlling the massive nutrient-intensive landscapes they are faced with managing. This resource assists state in securing the agricultural industry and aiding our manufacturing base because nutrients lost from the field to our rivers comprise a cost to farmers in nutrient replacement, and a cost to manufacturers and cities to clean the water before it can be used to power industry. The combined agriculture and manufacturing economies just in the 246 counties that comprise the Mississippi River corridor generate $422.6 billion. *Clean Water Grants Sustain our Agricultural Industry and Assist Manufacturing.*

Therefore, the Mississippi River Cities and Towns Initiative Mayors ask Congress to fund the Section 319 Categorical State Grant Program's Water Pollution Control Grants at $200 million for FY 2020. Further, Mayors recommend the U.S. EPA partner with the Natural Resource Conservation Service within USDA to ensure state 319 Grants plans include nutrient reduction capacities at an influential level. This type of cross-agency collaboration on evaluating grant applications has precedent in the HUD administered Sustainable Communities Grant Program where multiple agencies advised on application viability on a number of performance metrics.

USGS Water Resources Program…………………..+11 million to Baseline
U.S. Department of Interior, U.S. Geological Survey

Background:
Nutrient loading and sediment transport and deposition are two critical water-quality issues in the Mississippi River Basin (MRB). These issues can affect drinking water supplies, aquatic ecosystem health, manufacturing, utilities, and navigation on the main-stem Mississippi River. The U.S. Geological Survey (USGS) operates the National Water Quality Network (NWQN) for Rivers and Streams to assess the status of – and changes in – water-quality conditions. New sensor technologies can continuously measure concentrations of nitrate and phosphate, and estimate suspended-sediment concentrations.

The proposed monitoring network will deliver near real-time estimates of nutrient and sediment concentrations and loads at key locations across the Mississippi River Basin (MRB). The data would be delivered using a state-of-the-art mapping and visualization website that would enable water managers, key stakeholders, and the public to track how nutrients and sediment move throughout the MRB, evaluate how effective agricultural management practices are at reducing nutrient and sediment contributions to large inland watersheds and the main-stem Mississippi River, and provide a significant ability to track the impacts of floods or contaminant spills on a near real-time basis.

The one-time cost to purchase and install the necessary sensors and infrastructure at the 54 monitoring sites is approximately $5M. Funds to operate and maintain the continuous sensors, add discrete water-quality sampling at selected sites to verify sensor data, and to analyze, quality-assure, and deliver information on a website would be about $6M per year.

The Issue:
Nutrient loading is one of the greatest threats to our business lines on the river because it compromises water quality, impedes manufacturing, and depresses the tourism and recreation industries that account for the second largest economy on the waterway. States are working to reduce nutrient loading into the watershed, but require robust monitoring to help them determine if their reduction practices are working at a regional scale. Hundreds of millions of dollars are being spent across the landscape on this issue blindly if there is not systemic monitoring in place to measure the effectiveness of nutrient reduction projects.

The FY 2019 funding level for the USGS Water Resources Program was $217.5 million. Adding $11 million to that figure will allow for deployment of a nutrient monitoring net as well as one year of sensor operation funding. $6 million being added to the USGS baseline budget will allow for ongoing operation of the sensors in outlying years. This support will allow for the measurement of nutrient reduction activity across at least ten states. *Real-time water quality is essential to disaster response, and targeted investment.*

Therefore, Mayors urge Congress to $11 million the USGS Water Resources Program baseline spending for FY 2020. Robust monitoring at this level will allow accurate measurement of infrastructure project effectiveness.

City Water Infrastructure Modernization Grants………...$3.26 billion	
Drinking Water/Clean Water State Revolving Loan Funds	$3.0 billion
Water Infrastructure Finance & Innovation Act	$50 million
Drinking Water Infrastructure Resilience & Sustainability Program	$4.0 million
Innovative Water Technology Grant Program	$10 million
Sewer Overflow and Stormwater Reuse Municipal Grants	$225 million
Community Water System Risk and Resilience Program	$25 million

Drinking Water/Clean Water State Revolving Loan Funds

Background:
The FY 2019 enacted level for the combined program was 2.25 billion which is $100 million less than the recent upper level funding reached in FY 2015. The program continues to languish in lower funding levels even as essential city water infrastructure deteriorates beyond design life.

The clean and drinking water state revolving loan funds have baseline comparisons available to measure the actual effectiveness of expenditures. States require estimates of pollutants removed before a project is approved as well as insist projects come with monitoring and evaluation components. The drinking water loan funds have consistently scored a positive return on investment. According to a 2009 report, for every dollar spent by Congress on DWSRF, a $1.82 was realized on the local end. For every dollar spent by states, a return of $5.50 was realized.

The Issue:
For every federal dollar of SRF spending, 21.4% is returned to the federal government in the form of taxes and on average, 16.5 jobs are created for every 1 million spent through SRF; each job is estimated to bring about $60,000 in labor income. Infrastructure investments create 16 percent more jobs than equivalent spending on a payroll tax holiday, 40 percent more jobs than an across-the-board tax cut, and more than five times as many jobs as temporary tax cuts.

Every million dollars of SRF spending results in $2.95 million of input in the U.S. economy. This is a smart investment complimenting a narrow federal role of ensuring modern, efficient infrastructure. Since this is a loan program, SRFs leverage resources from all levels of government and the private sector empowering state and local governments. SRFs are voluntary reducing regulatory burdens on businesses.

SRFs are an important investment tool as U.S. businesses will have lost $734 billion between the years 2012 and 2020 due to loss in sales and additional costs stemming from unreliable water infrastructure if current trends continue.

Twenty million people, fifty cities obtain their drinking water from the Mississippi River; the infrastructure makes possible these withdraws as well as those for manufacturing. SRF–funded infrastructure benefits millions, sustains our water delivery systems.

Therefore, the Mississippi River Cities and Towns Initiative Mayors ask Congress to provide $3.0 billion for the Drinking Water and Clean Water State Revolving Funds combined.

Water Infrastructure Finance & Innovation Act

Background:

WIFIA is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital. WIFIA was created because state and local governments that sought to finance large-scale water projects with rates and other forms of user-backed revenue can encounter difficulty obtaining financing at reasonable rates due to some of the uncertainties associated with these revenue streams especially in the early years of project implementation. Innovative revenue sources, such as proceeds from tax increment financing, are difficult to predict.

WIFIA credit assistance is often available on more advantageous terms than in the financial market making it possible to obtain financing for needed projects when it might not otherwise be possible. The credit assistance available through this innovative finance program includes secured loans, loan guarantees, and a standby line of credit.

The Issue:

WIFIA is an EPA administered program. EPA requires empowerment around these innovations to create maximum effectiveness and benefit. Thus, the process for WIFIA needs to be as transparent and as predictable as possible. Interest rates should be tied to U.S. Treasury securities. The program can be better used by more applicants if offered several times annually.

WIFIA can be leveraged with SRF resources coordinating and compounding return. That is why it is important this program has ample clarity and facilitation on being coupled with other federal options. Indeed, much of this entire plan functions on the strategy of linking seemingly disparate federal programs into a multi-lateral infrastructure investment strata.

Therefore, Mayors call for the strengthening of EPA's WIFIA to assist in the private sector financing of large-scale infrastructure projects in several sectors of the economy.

New Water Programs Available from the 2018 Water Resources Development Act

Background:

Water infrastructure resilience, sustainability, innovation and risk reduction were parceled-out into a variety of short-term programs made available through the 2018 version of WRDA. These programs are authorized at modest amounts and only for two fiscal cycles. Totaling only $264 million for the entire nation, these programs are designed to offer key infusions of capitol into large or small water systems that require single fund infusions to reach project success.

The Issue:

According to the American Society of Civil Engineers, there is a $300 billion investment shortfall in drinking water and wastewater infrastructure investment. The drinking water wastewater investment shortfall for the ten states along the Mississippi River is $92.1 billion. Though the new WRDA programs will not create a considerable impact on the water infrastructure backlog, they do demonstrate a recognition of various problems facing city water systems.

Therefore, MRCTI mayors call on Congress to fund at the full authorized level the new WRDA water infrastructure programs listed above to provide cities yet another group of funding options for the diverse infrastructure problems facing aging municipal water systems.

Transportation, HUD, & Related Agencies

America's Marine Highway Grant Program……………………..$10 million
U.S. Department of Transportation

Background:
Consisting of over 29,000 nautical miles of navigable waterways, America's Marine Highway System serves as an extension of the surface transportation system and promotes short sea transportation. Two Marine Highway System routes (the M-55 and M-35 Corridors) incorporate the Mississippi River. Those two corridors are vital components of the nation's inland waterway system and central to maintaining our ability to efficiently transport a significant portion of the region's agricultural and other commodity exports to the Gulf.

America's Marine Highway Program is a Department of Transportation-led program to expand the use of our Nation's navigable waterways and to relieve landside congestion by increasing the efficiency of the surface transportation system. The Program is administered by the Maritime Administration (MARAD), which collaborates with stakeholders from all transportation sectors to improve and strengthen the U.S. marine transportation system, including building a U.S. maritime system for the 21st Century.

In 2014, $1.7 trillion worth of U.S. goods moved through the nation's ports. The largest U.S. port ranked by tonnage is the Port of South Louisiana along the Mississippi River. Indeed, the nation's only trade surplus in agricultural goods is made possible by port infrastructure of the Mississippi. Waterways and ports of the ten-state Mississippi River Corridor alone provide over 500,000 jobs generating $83.6 billion in annual revenue.

The Issue:
Regardless of the infrastructure and economy described above, containerized freight, the most ubiquitous medium of freight movement, is almost non-existent on the nation's inland waterway system. Of the 30 million containers that came into the United States in 2014, almost none of them moved on the Mississippi River. Thanks to a broad public/private partnership brokered by the Mayors of the Mississippi River, Inland River Port & Terminal Association, and the Upper Mississippi River Basin Association container movement is returning to the River.

Our inland ports and waterways cannot be ignored and are essential to our economic future:
- Our population will grow from 319 million in 2014, to 400 million by 2051;
- The movement of freight is expected to increase by 40 percent over the next 30 years;
- As much as 10 percent of the cost of goods can be attributed to transportation costs.

Bottom line, there is not enough surface transportation infrastructure to accommodate projected growth in U.S. freight demand. *Inland port and waterway infrastructure are vital to U.S. economic competitiveness*.

Therefore, MRCTI Mayors call upon Congress to support the Marine Highway Program by funding the grant account at $10 million.

BUILD Grant Program……………………………………………………..$1.5 billion
U.S. Department of Transportation

Background:
The Better Utilizing Investments to Leverage Development, or "BUILD" Transportation Discretionary Grant program, provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grants, Congress has dedicated nearly $7.1 billion for ten rounds of National Infrastructure Investments to fund projects that have a significant local or regional impact.

From 2009 to 2018, about 30 TIGER/BUILD grants have been awarded for project on the Mississippi River making the corridor one of the most infrastructure intensive with the least number of funded projects. This discrepancy is especially acute if one takes into account that the Mississippi River Corridor is responsible for the nation's only trade surplus.

The Issue:
The largest economy on the Mississippi River is manufacturing providing nearly a half million jobs and over $375 billion in annual revenue. Much of this manufacturing is in the food, beverage, and chemical industries which requires a significant amount of surface transportation capacity to remain whole and grow. Because the Mississippi River is a border for over two-thirds of its length, the Corridor is uniquely positioned to compete for BUILD Grants at a multi-state level which is a priority of the grant.

The entire award history of the TIGER/BUILD program would not even meet one fourth of the investment needed to bring the nation's inland waterway system up to a state of good repair let alone all surface transportation needs of roads, rail, transit, and ports.

Further, as a stand-alone program, BUILD Grants do not make a considerable impact on infrastructure needs, but coupled and leveraged with other programs such as TIFIA, INFRA Grants, the Surface Transportation Program (STP), Fast Act Grants, and the Marine Highway Program these options collectively can multiply the work they accomplish by at least a factor of three with an economic performance ROI of $4.00 for every $1.00 invested.

Therefore, the Mayors of MRCTI urge FY 2019 level funding for the U.S. DOT BUILD Grant Program in order to maximize the reach and leveraging capabilities of this infrastructure investment. Nearly $11 billion worth of projects were submitted to DOT in 2018 competing for one and a half billion dollars in grant funding. Over half of the projects submitted were in rural areas.

The appetite and need for infrastructure are clearly prevalent throughout the nation, yet a comprehensive infrastructure vehicle remains elusive, but a $2 trillion tax cut package passed rather efficiently. Tax cuts are fine, but the physical platform of our economy is weakening and is increasingly in a state of compromise or failure. BUILD Grants are a temporary boost that are working to keep our infrastructure stable for the moment.

TIFIA Program…………………………………………………………..$300 million
U.S. Department of Transportation

Background:
TIFIA is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital.

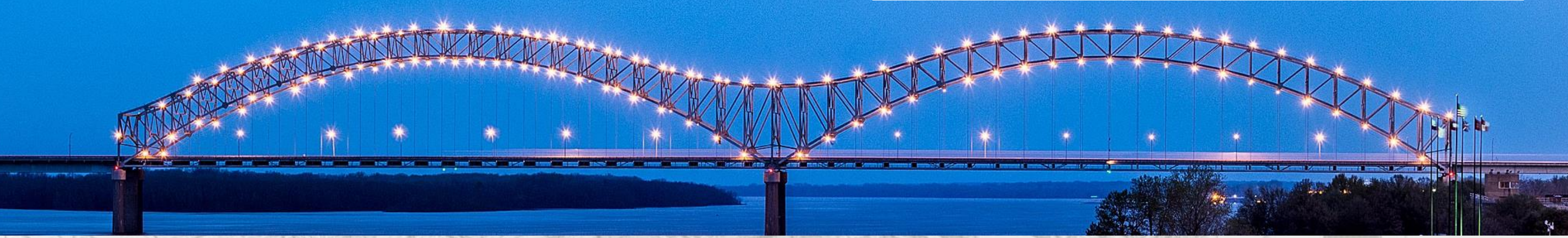
TIFIA was created because state and local governments that sought to finance large-scale transportation projects with tolls and other forms of user-backed revenue can encounter difficulty obtaining financing at reasonable rates due to some of the uncertainties associated with these revenue streams especially in the early years of project implementation. Innovative revenue sources, such as proceeds from tax increment financing, are difficult to predict. TIFIA credit assistance is often available on more advantageous terms than in the financial market making it possible to obtain financing for needed projects when it might not otherwise be possible.

The credit assistance available through this innovative finance program includes secured loans, loan guarantees, and a standby line of credit.

The Issue:
TIFIA is managed by the Department of Transportation. The agency requires empowerment around innovations to create maximum effectiveness and benefit. Thus, the process for TIFIA needs to be as transparent and as predictable as possible. Interest rates should be tied to U.S. Treasury securities. The programs can be better used by more applicants if the programs are offered more than once a year. TIFIA includes a three-stage application process that provides a secure template from which to operate.

It is important that this program has ample clarity and facilitation around how it can be coupled with other federal options. Indeed, much of this entire plan functions on the strategy of linking seemingly disparate federal programs into a multi-lateral infrastructure investment strata designed to maintain a discrete federal role while encouraging a growing private financing opportunity.

Therefore, Mayors call for the strengthening of DOT's TIFIA to assist in the private sector financing of large-scale infrastructure projects in several sectors of the economy.



Include a Community Resilience Revolving Loan Fund (RRF) for floods and additional hazards……………………………………………………………………….$100 million

Background:
In 2012, disasters cut into the total revenue of the Mississippi River economy by 8.75 percent in actual losses, to say nothing about ongoing drains on the economy that metastasize and multiply over time. On average over the last five years, disasters are costing the Mississippi River economy close to 3 percent annually. But, the impacts are actually much larger than this since disasters tend to spike losses in the economy and have on-going impacts that can take years to neutralize.

The multiplier effect of disasters is exactly why investment in preparedness and mitigation can payback as much as $6.00 for every dollar spent. More importantly, if the investment is in the form of a loan over a grant, ROI to the taxpayer can be improved even more.

In 2017, Senator Reed introduced SB 1507, the State Flood Mitigation Revolving Fund Act of 2017 which creates a revolving loan fund to mitigate for floods only using the National Flood Insurance Program as a source for authorization and funding. Further, efforts taking place in South Carolina, Virginia, Connecticut, Illinois, Maine, and Texas have all begun to examine resilience loan fund models. One of particular note is South Carolina Senate Bill 259, SC Resilience Revolving Fund Act introduced January 8, 2019.

The Issue:
Resilience has considerable national security implications. Since the Mississippi River System (as described above) is so integral to the U.S. economy both domestically and globally and sustains so many jobs – the repercussions to our national security require explicit attention.

A Community Resilience Revolving Loan Fund (RRF) is a proposed tool to provide another investment leveraging option for infrastructure. State Revolving Loan Funds for clean water and drinking water provide a minimum return of almost $2.00 for every dollar spent. A similar instrument can be established for a broader application toward preparedness activities.

Moreover, a resilience loan fund can directly compliment the Pre-Disaster Mitigation Grant Program. The key, however is applying the RRFs in such a way that revenue is generated to repay loans. Regardless of the revenue attachments, hazards such as drought, prolonged episodes of intense heat, severe storms, wildfires, and earthquakes must be addressed or any major infrastructure projects will be vulnerable.

Therefore, Mayors urge the creation of a Community Resilient Revolving Loan Fund in the next infrastructure vehicle to compliment the Pre-Disaster Mitigation Grant program and create greater return on investment around making our infrastructure more adaptive to more frequent disasters. This can be accomplished either through adding an additional hazards provision to the State Flood Mitigation Revolving Fund Act or via a complimentary bill that uses authority from the Robert T. Stafford Disaster Relief and Emergency Assistance Act and funds from the Hazard Mitigation Assistance Program to provide for spending authority beyond only floods. It is recommended that at least $100 million be made available to the RRF over a 24 month period.

Include critical recycling and waste management infrastructure in any comprehensive infrastructure vehicle

Background:
In September 2018, Mississippi River Mayors announced a commitment with state legislators and companies on an effort to reduce plastic waste in the Mississippi River Valley by calling on levels of government and organizations to reduce their plastic waste 20% by 2020.

The Mississippi River provides billions of gallons of fresh water to industry each day and drinking water to 20 million people in 50 cities. But when up to 80% of the plastic in our oceans comes from land-based sources and the Mississippi River drains an expansive 31-state landscape, it becomes clear that possibly 40 percent of plastic pollution in the Gulf originates from the Mississippi River.

Compounding the plastic issues facing water quality of the Mississippi River is the fact that China announced last year that it would no longer take any plastic waste for recycling from the United States closing the door to a 25-year running outlet for plastic waste. About 45 percent of the world's plastic waste set for recycling was being processed by China until 2018. Nations like the U.S. will need to recycle waste at home with little recycling infrastructure to do so.

The Issue:
China was taking 40 percent of the paper and plastic waste generated by the United States. Now, communities will be responsible for recycling and processing the vast majority of their own waste. The recycling infrastructure simply does not exist in the US to manage the tremendous plastic waste we are now having to assimilate.

More importantly, however, is the need for plastic waste to be reduced. There needs to be an equal if not larger private sector response to this problem as plastics are pervasive throughout the economy. For instance, the amount of plastic produced from 2000 - 2010 exceeds the amount produced during the entire last century.

As much as municipal plastic recycling systems need resources and support, so to does the marketplace need to reduce its use and dependence on plastics. Such reductions should also be coupled with commitments around shifting plastic products to those types more readily recycled by municipal systems.

Therefore, MRCTI mayors call on Congress to include recycling infrastructure in any comprehensive infrastructure vehicle that:
- Improves our national recycling infrastructure;
- Improves the quality and capacity of domestic recycling;
- Incentivizes new waste reduction technologies and practices;
- Provides grants to local governments to modernize and expand recycling;
- Increases the amount and types of recyclable material that is collected and recycled;
- Incentivizes resource reuse, take-back programs, and consumption reduction strategies.

All in all, Mayors urge Congress to reward companies and public entities that reduce their use of plastic. Communicating a Congressional priority to industry that waste reduction is valuable and worth investing in will assist our efforts to increase recycling capacity.

◊ Establish a mechanism by which environmental enhancement and restoration projects assisting built infrastructure be given priority agency review;

◊ Protect human health and safety by retaining full review procedures that shield public lands, our water, and our air from unintended consequences.

Background:
The Mayors of MRCTI are hopeful that a comprehensive infrastructure vehicle is pursued by Congress this year that will compliment the next transportation bill and subsequent Water Resources Development Act. Although *Fast Track* funding models are certainly appropriate for some spending, new and innovative finance mechanisms such as revolving loan funds, TIFIA, WIFIA, user fee structures, and private sector-funded design, build, operate, maintain P^3 formulas are necessary to motivate and sustain long-lasting investment.

The Issue:
If major infrastructure grants are pursued through a comprehensive vehicle, MRCTI Mayors recommend including a mechanism by which environmental enhancement and restoration projects assisting built infrastructure be given priority review and that full environmental reviews be maintained to shield public lands, water, and air from consequences.

Any infrastructure grants should include evaluation criteria on the incorporation of natural infrastructure; and rural-focused grants should include resilience capacities in disaster prone areas

- Since mitigation expenditures return up to $6.00 for every $1.00 invested, it is compelling for resilience and mitigation to be an evaluation criterion for grant applicants;

- We further recommend that projects incorporating resilience and mitigation capacities by use of natural infrastructure already in place or to be restored, should receive priority consideration from the agency as this will reduce the risk of investment and decrease maintenance costs;

- These same considerations can be applied to the state rural infrastructure investment plans especially for disaster-prone areas such as near-water communities.

Therefore, the Mayors of MRCTI recommend that any legislation developed include resilience, mitigation, adaptation, and sustainability capacities in the grant application criteria to ensure infrastructure investments withstand persistent and increased disaster impacts being experienced throughout the Valley since 2005.

Establish a mechanism by which environmental enhancement and restoration projects assisting built infrastructure be given priority agency review

- If an aim of infrastructure legislation is to make extensive portions of the environmental review process more efficient, then we recommend listing a method by which federal agencies could give review priority to those infrastructure projects designed to restore, enhance, and augment environmental services.

Therefore, the Mayors of MRCTI recommend that infrastructure projects which include provisions that complement their design purpose with natural infrastructure enhancements, restoration, or augmentation be moved to the head of the que for environmental reviews conducted by applicable agencies.

Protect human health and safety by retaining full review procedures that shield public lands, our water, and our air from unintended consequences

- Congress should keep whole all CWA provisions especially when addressing crucial water protection permitting procedures such as the National Pollution Discharge Elimination System (NPDES);

- Congress should retain the authority to approve energy pipelines crossing lands administered by the National Park Service in order to reduce the chances of an environmental catastrophe. Some studies have found that it can take up to 90 days for significant seepage from energy pipelines to be detected leaving our surface water and ground water resources vulnerable. Further, energy pipelines carrying tar sand crude do so at a temperature up to 158◦F which can lead to serious impacts in the event of a rupture;

- Expanding the NEPA assignment program to states for issues related to flood plain protection should only be pursued in instances where the state wishes to maintain or expand protections of a flood plain by prohibiting built structures or by removing structures that already exist;

- We recommend that any legislation not consider alternatives to the NEPA review process. This approach may have unintended consequences and become, in effect, a way to disrupt the protections for which NEPA was intended to promulgate.

Therefore, the Mayors of MRCTI recommend that any alterations to natural resource reviews provided by law not sacrifice human health and safety or the integrity of critical environmental services for the sake of project efficiencies. Compromising ecosystem benefits may ultimately render an infrastructure project more expensive due to its unintended deleterious effect on water security and/or natural protections to disasters.

Notes

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Mayor of Davenport, IA

Co-Chair
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