



Maintaining the Old Mouth of the Cowlitz River is critical to keeping jobs at Longview Fibre



Longview Fibre at the Old Mouth of the Cowlitz

History

The Old Mouth of the Cowlitz River channel was typically dredged every two years during the 1950s and 60s. No dredging occurred between 1966 and 1981. It was last dredged by clamshell in 1991. In the 1990s, the channel was dredged nearly annually by the Corps-owned sand bypasser dredge *Sandwick*. The *Sandwick* last dredged the channel in 2002, but is no longer used, due to turbidity and environmental concerns.



Current channel status

Maintenance dredging on the Old Mouth of the Cowlitz channel has not been performed since 2002. A recent U.S. Army Corps of Engineers sounding chart documents the heavy sedimentation in the channel.

Chip barges bound for the Longview Fibre mill on the Old Mouth of the Cowlitz must be light-loaded in order to navigate the channel, and even then can only enter at high tide. Barges are scraping bottom, and a few have even run aground.

The President's FY2009 budget did not contain any funding for this maintenance dredging. PNWA is requesting \$450,000 in the FY2009 Energy & Water appropriations bill to maintain this navigation channel. The funding should be added as part of the "Columbia & Lower Willamette River below Vancouver WA & Portland OR" operations and maintenance account.

Estimated economic impacts

The Longview Fibre Company depends on this federally-maintained waterway to receive a large percentage of their chip supply.

- Total wood used at the mill – 120,000 bone dry tons per month
- Wood transported by barge – 24,000 bone dry tons per month
- Percentage of total wood provided by barge = 20%
- Number of barges needed to provide this wood = 12 per month (fewer when ocean barges are utilized)
- Barged chips account for about 12,000 tons per month of paper and containerboard products produced by the mill
- Longview Fibre products sell at an average price of \$600 per ton
- The loss of 12,000 tons per month would reduce gross revenue by approximately \$7,200,000 per month
- If Longview Fibre loses access to their barge-unloading facility due to a lack of maintenance dredging, the company will likely be forced to curtail manufacturing by 10-15%
- Longview Fibre employs over 900 people in direct production activities, and about 1,800 overall at their Longview location
- Curtailment of up to 135 employees would be likely
- Payroll losses alone would be up to \$600,000 per month
- Such a cutback would make it difficult to meet customer orders, exposing the company to possible permanent loss of business that would be hard to recover in the highly-competitive global markets in which they compete

Funding status

The Portland District of the U.S. Army Corps of Engineers is waiting for funding so that this project can proceed. Maintenance dredging funding for the Old Mouth of the Cowlitz is included in the Senate version of the FY2007 Energy & Water Appropriations bill, H.R.5427. The funding - \$470,000 - is part of the "Columbia & Lower Willamette River below Vancouver & Portland" project. There was no funding for the project in the President's FY2007 budget or in the House version of the FY2007 Energy & Water Appropriations bill.

Unfortunately, this bill is one of nine appropriations bills that are still not completed, even though the 2007 federal fiscal year began on October 1, 2006. Additionally, it appears that Congress will not complete work on these bill until at least January 2007, at the earliest. Until then, the Corps and many other agencies are operating under a Continuing Resolution (CR), which funds these agencies at the lowest of three possible levels: FY2006 appropriations as passed into law last year, the FY2007 House bill, or the FY2007 Senate bill. Since funding for this channel was not in the FY2006 bill, or the FY2007 House bill, the Corps is prohibited from spending money on the project until work is completed on the FY2007 bills.

Next steps

The Corps needs to receive funding by December 1, 2006 in order to proceed with a contract for this maintenance dredging. The Corps would need to advertise a contract by December 1st in order to facilitate the normal Government contracting process, obtain reasonably-priced bids and have the dredging completed by the end of the inwater work window (February 28).

The Corps has all environmental clearances in place to be able to dredge the channel, except for the final Sediment Quality Evaluation Report, which will be reviewed by NOAA Fisheries (formerly NMFS). However, the recent samples taken showed contaminant concentrations below Sediment Evaluation Framework (SEF) screening levels, which bodes well for final approval. The final Sediment Quality Evaluation Report will be sent to NOAA Fisheries by the end of November.

Longview Fibre is currently considering whether to privately hire a dredging contractor to remove the approximately 25,000 cubic yards at the entrance to the Old Mouth channel. If Longview Fibre dredges about 25,000 cubic yards this winter, it is estimated that next winter (November 2007 – February 2008) there will still be an estimated 25,000 cubic yards to be removed from the remainder of the channel. By next winter, it is hoped that Congress will have completed action on an appropriations bill that contains funding for the Old Mouth of the Cowlitz.

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