

plan would require only modest contributions on the part of local interests. Local interests further state that even though the plans of improvement now being considered all involve substantial right-of-way requirements, their original desire to cooperate has not changed and that they will cooperate to the extent of their financial ability. The Ouachita River Valley Association has indicated that it will undertake to sponsor the efforts of local interests in complying with all requirements of the local cooperation as set forth herein."

A letter from the Ouachita River Valley Association was attached (Page 48) saying:

"There is a feeling among most of the directors that the cost of any additional lands required to be inundated should be a part of the project cost as it is in practically all other navigation projects and especially should this be true in this case where the overall cost of providing the nine-foot depth channel will be less by virtue of raising the height of the lock and dam and the flooding of this additional 12,000 acres. The directors of the Ouachita River Valley Association hope and believe that the Congress will relieve the local navigation interests of this obligation when the subject can be brought before Congress."

This is our reason for being before this committee today—to ask that this authorization be modified so as to permit the Corps of Engineers to acquire the lands which will be flooded by the raising of the locks rather than to place this burden upon local interests which cannot legally sustain it.

The Corps report (Senate Document No. 112—86th Congress, Second Session) considered and discussed seventeen different possible plans for this project.

Plan 14, which, in the report, was shown as Plan D, was the plan which the Congress authorized. This project provided for four new 50' X 400' locks. The one at Felsenthal would be located at the site of the existing lock and dam and would be rehabilitated and raised 3.5 feet. This Plan D would cost \$45,030,000.00 and had a benefit-cost ratio of 1.35 which was greater than any of the other plans considered. The report also noted (Page 28) that the annual maintenance cost of the project can be reduced by raising Pool No. 6 (Felsenthal), because of the reduction of the annual dredging by some \$68,000.00 in this pool.

Plan 15 was identical with Plan D, (the authorized plan) "except that existing Pool No. 6 would not be raised."

The original cost of Plan D, to the Federal Government would be \$43,590,000.00 as compared to \$43,771,000.00 for Plan 15, but the cost to local interests on Plan D, would be \$1,440,000.00 as compared with \$201,000.00 for Plan 15. Actually the total cost of Plan 15 was the cheapest—\$43,972,000.00 as compared with \$45,030,000.00 for Plan D.

The benefit-cost ratio of Plan 15 (with the deepened channel) was 1.34 as compared with 1.35 for the authorized project, and it seems rather clear that the reason for the adopting of the proposed Plan D, raising the pool 3.5 feet and creating a vast lake, was due to the difference in the annual maintenance cost of dredging which was some \$68,000.00 at this pool.

In spite of the fact that local interests had some doubts as to its ability to provide this vast acreage, it undertook, in good faith, to do everything in its power to comply. In January 1962 the County Courts of the various counties involved, which are the proper local interests, entered an Order authorizing the County Judge to sign and deliver, on behalf of the County, assurances of local cooperation as required by the Corps of Engineers and these acts of assurances were executed and delivered to the Corps with proper legal opinions that the County Court was the proper authority authorized to grant such assurances.

While these County Courts are the proper local interests to give these assurances, nevertheless, their legal ability to perform such a commitment financially is extremely limited.

"No County shall levy a tax to exceed one-half of one percent (of the assessed value of all property) for all purposes (Const. 16 p 9). The County's appropriations cannot exceed 90% of the taxes levied in any one year (Ark. Stat. 17-411) no County Court can make a contract in excess of the amount of the annual appropriation (Ark. Stat. 17-416)."

"No County Court . . . shall make or authorize any contract . . . in excess of the revenue from all sources for the fiscal year in which said contract . . . is made . . . (Constitution Amendment No. 10)."