



UNDERDREDGING WHAT \$\$ ARE BUYING US

**Presented by
Barry Holliday
Dredging Contractors of America**



COMPARISON OF HMTF REVENUES TO EXPENDITURES

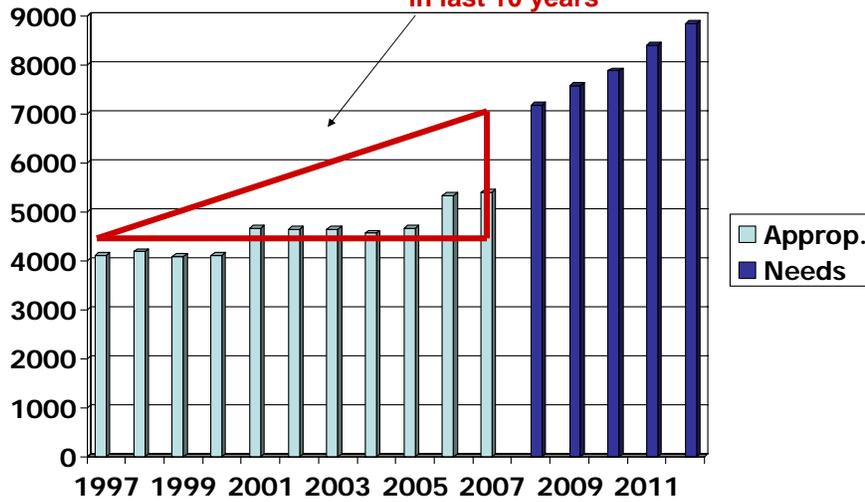
FISCAL YEAR	EXPENDITURES (millions)	REVENUES (millions)
FY 2000	\$631.2	\$760.6
FY 2001	\$669.4	\$810.8
FY 2002	\$645.2	\$710.8
FY 2003	\$685.1	\$804.5
FY 2004	\$681.4	\$922.4
FY 2005	\$708.8	\$1,123.0
FY 2006	\$697.2	\$1,275.0
FY 2007	\$751.0	\$1,416.0

The word "RAMP" is written in a large, bold, blue, sans-serif font. Below the text is a stylized illustration of a red and white ship's hull with a yellow structure on top, possibly a ramp or a piece of equipment, floating on water.

RAMP

FY97-06 Appropriations vs. FY07-12 Needs

\$13.5 Billion lost to inflation in last 10 years



COST DRIVERS

Steel

Environmental Requirements

Continuing Resolution

FUEL

Support Equipment

Nonprogramming

Labor

IMPACTS

- **Base Plus Options Contracts**
 - Mobilization plus a little Work
- **Channels Not Fully Dredged**
- **2/3 of the work being accomplished**
- **In FY 2007, 68% of time, 59 largest Deep Draft Ports had less than 50% channel width!!!**



IMPACTS

- **Channels are deepened, but funds not available to maintain**
 - \$700 million investment, but getting only ½ the O&M to maintain!!
- **Ships are light loading and being diverted**
 - 30% of 95,000 vessel calls constrained by depth limitations
- **In Great Lakes, every inch lost draft = 50 to 270 tons of cargo not carried**

