



2011 Winona Commercial Harbor Survey

The Port Authority of Winona conducted a brief survey of river users to prepare a report outlining the economic impact of the Winona Commercial Harbor. This survey was conducted in July 2011. This is the second survey conducted with the first occurring in 2004. The Port Authority Survey had a 70% response rate from businesses.

The Mississippi River System

The Mississippi River System stretches over 222 miles in Minnesota and supports five port areas whose combined 2010 waterway transported tonnage was 10.9 million net tons.

Minnesota's largest river tonnage commodities are agricultural products such as corn, soybeans and wheat. The river accounts for over 60% of Minnesota's agricultural exports. River ports also handle other dry cargo commodities such as coal, fertilizer, minerals, salt, cement, steel products, scrap metals and liquid products including petroleum, caustic soda, vegetable oils and molasses.

The Minnesota River navigational system is maintained by the U.S. Corps of Engineers and dredges the navigation channels and operates the 29 locks on the Upper Mississippi River. The locks serve both the commercial operators and recreational boaters. The commercial barge operators on the river pay for ½ of the cost of major Federal lock construction with a fuel user tax which is now 20 cents per gallon.

Annual Minnesota River Port Tonnage

Port	2010	2009	2008	2007	2006	2005
Minneapolis	592,404	545,840	781,155	795,372	1,069,238	1,024,877
St. Paul	5,160,120	5,071,864	3,469,383	5,126,732	5,511,445	5,462,801
Savage	2,411,361	2,777,677	1,705,650	3,201,406	3,214,351	3,018,613
Red Wing	807,021	735,417	631,870	851,692	920,610	787,883
Winona	1,922,462	1,672,630	1,573,239	2,099,746	2,204,375	2,008,029
Total	10,893,368	10,803,428	8,160,297	12,074,948	12,920,019	12,302,203

•Annual tonnages will vary due to seasonal flooding, freight rates and foreign grain demand

Information provided by Minnesota Department of Transportation Ports and Waterways Division

Market Value Information (includes all users)

The Estimated Market Value from the Winona County Assessor's Office indicates the total value of river related business property in the harbor and eastern edge of the City is \$7.5 Million paying over \$230,000 annually in property taxes.

Employment and Local Purchases

There were a total of 84 employees from the 70% responses with an annual payroll of over \$3.4 million dollars. Additionally, the average wage noted by the respondents was \$41,725. This average wage is above the average for all industries 2010 of \$34,632.

Secondary business benefits such as other purchases made by the local river related companies were measured. Based on the responses received, it is estimated that over \$1.95 million was spent on local purchases and \$1.4 on purchased services.

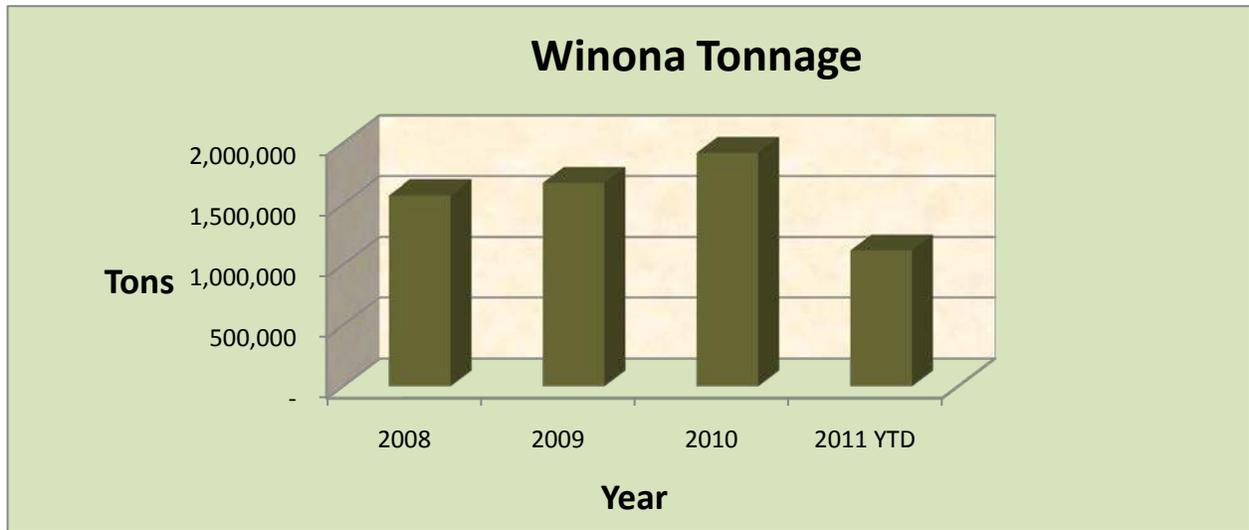
Commodities and Tonnage

Nearly two million tons of commodities passed through the Winona Harbor area in 2010 according to MNDOT Port and Waterways Division, making Winona the third largest Port on the Mississippi in Minnesota.

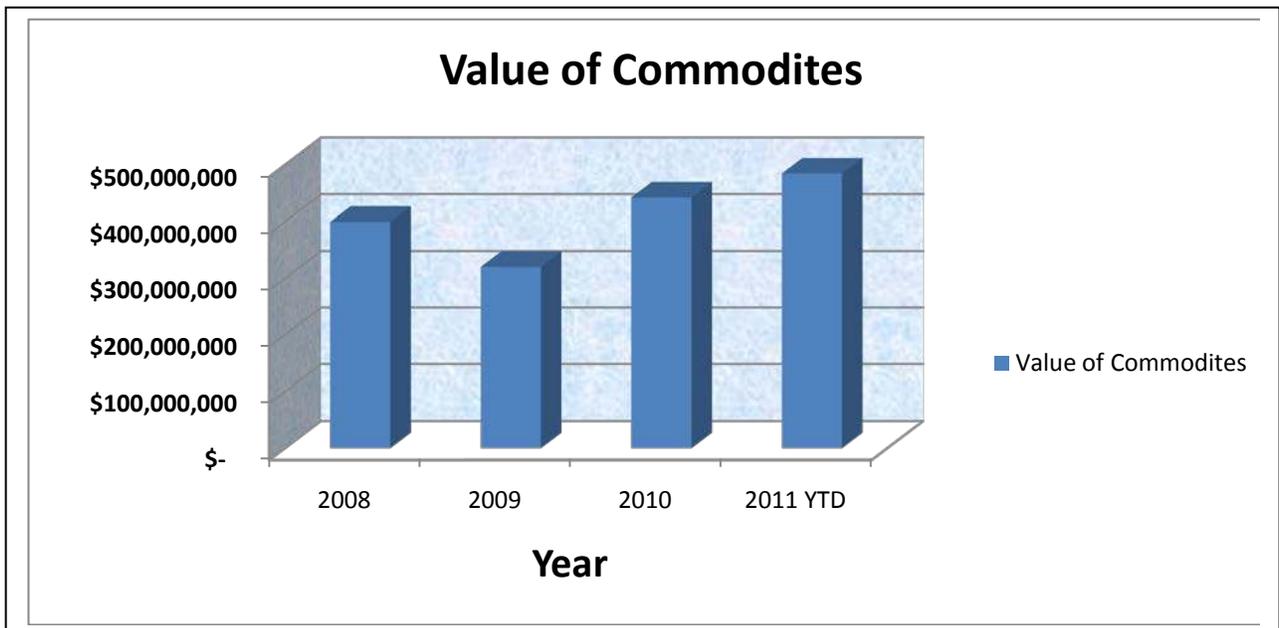
The Port Authority leases a dock facility that handles inbound product of salt, fertilizer and coal. The operator had outbound product in 2010 of distiller's grain and sand. The Port Authority dock is a small percentage of the tonnage handled in the harbor. In 2010 over 192,000 tons of commodities were handled at the Port Dock compared to the overall tonnage of 1.9 million tons. The graph on the following page shows tonnage of the entire harbor 2008 through July 2011.

The annual average number of semis, rail cars and barges is listed below.

Annual Average Loading and Unloading		
Semis	Rail	Barge
67,900	2,435	1,306



The total value of the commodities (paid for product) from 2008 through July 2011 is noted below. Note the YTD 2011 does not include the harvest season for this year. Over \$480 million dollars have been paid to end users of the commodities handled through the Winona Commercial Harbor (*from respondents of our survey 70%*)



Changes from 2004 to 2010

The survey in 2004 had a 62% response rate and the business mix of respondents may have been different than in 2010.

The harbor traffic activity is less in 2010 than in 2004. This is due in part to the diversion of some corn to ethanol plants in southern Minnesota.

	2004	2010
Trucks	79,000	67,900
Rail Cars	5,200	2,435
Barges	1,440	1,306

The average wage was \$32,690 in 2004 and that has increased to an average of \$41,725 in 2010.

Local purchases of goods and services increased seven fold from a combined \$427,000 in 2004 to \$3.4 million in 2010.

Over \$300 million dollars was paid to farmers and end users of the commodities handled through the Winona Commercial Harbor in 2004. This has increased to over \$440 million in 2010 and over \$480 million in 2011 prior to the fall harvest.

Although the number of trucks, rail cars and barges is slightly less than in 2004, the dollars generated as payment to end users has increased largely due to the great increase in commodity prices from 2004 to 2011.