

Capitol Currents



Steven L. Stockton takes over as the Corps of Engineers' Deputy Director of Civil Works. Page 13.

House Approves \$4.7 Billion for Civil Works Programs

ON MAY 24, BY A RECORDED VOTE OF 416 TO 13, the House of Representatives passed its FY 2006 appropriations bill for the Army Corps of Engineers' civil works program. The legislation (H.R. 2419) provides \$4.746 billion -- \$414 million more than the President requested but \$294 million less than the Congress appropriated for this year.

The House bill restores funding for about half of the 30-plus projects which the President's budget placed in a "considered for suspension" category, including Industrial Lock at New Orleans and Kentucky Lock addition near Paducah. The bill also includes \$10 million to continue construction of a new

Chickamauga Lock near Chattanooga. For the third year, however, there were no new construction starts.

UPPER MISS. "Until we begin to clear out the enormous backlog of on-going work, we are reluctant to start new projects," explained Congr. David L. Hobson (Ohio), chairman of the House Appropriations Subcommittee on Energy and Water Development. There was no money in the House bill to continue pre-construction engineering and design of Upper Mississippi/Illinois Waterway improvements, but the river systems' environmental management program received \$33.5 million. ♦



Kentucky Lock Funded. This is an aerial view of Kentucky Lock, looking downstream and showing the location of the lock addition in yellow. The President's budget did not request funds for the project, but the House appropriations bill includes \$21.75 million for construction.



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‘WINNERS AND LOSERS’ IN THE HOUSE BILL

The House bill includes a number of additions. Among them: Brunswick Harbor (Georgia), \$19.1 million; Sault Ste. Marie replacement lock, \$2 million; and John T. Myers L&D, \$700,000.

Three “suspended” flood control projects were also funded - Levisa/Tug Forks (West

Virginia and Virginia), \$20 million; St. Johns/New Madrid Floodway (Missouri), \$5.5 million; and Upper Yazoo River (Mississippi), \$5.6 million. Left unfunded were Louisiana coastal restoration study, \$20 million; Winfield L&D, \$2.4 million; and Missouri River levee system, \$350,000. ♦

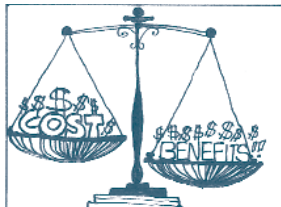
CIVIL WORKS PROGRAM FUNDING: FY 2004 - FY 2006

Civil Works Program	FY 2004 Enacted (000)	FY 2005 Request (000)	FY 2005 Enacted (000)	FY 2006 Request (000)	FY 2006 House (000)
General Investigations	\$116,949	\$90,500	\$144,500	\$95,000	\$100,000
Construction, General	1,722,319	1,421,500	1,796,089	1,637,000	1,900,000
Operations & Maintenance	1,967,925	1,926,000	1,959,101	1,979,000	2,000,000
MR&T Flood Control	324,222	270,000	324,500	270,000	290,000
Regulatory Program	140,000	150,000	145,000	160,000	160,000
General Expenses	160,000	167,000	167,000	162,000	152,021
Formerly Utilized Sites	140,000	140,000	165,000	140,000	140,000
Flood Control and Coastal Emergencies	0	50,000	0	70,000	0
ASA/CW	0	0	0	0	4,000
TOTAL	\$4,571,415	\$4,215,000	\$4,701,190	4,513,000	\$4,746,021

PROJECT FUNDING COMPARISON: FY 2004 - FY 2006

Project	FY 2004 Actual (000)	FY 2005 Request (000)	FY 2005 Enacted (000)	FY 2006 Request (000)	FY 2006 House (000)
<u>Construction:</u>					
Inner Harbor	\$10,900	\$10,000	\$14,500	0	\$9,038
Kentucky Lock	22,400	25,000	32,500	0	21,750
Lower Mon 2, 3 & 4	31,500	31,000	35,500	50,800	50,800
Marmet	54,300	50,000	75,000	68,830	68,830
McAlpine	58,000	58,000	68,500	70,000	70,000
Olmsted	32,500	75,000	69,000	90,000	90,000
Robert C. Byrd	900	600	900	914	914
Winfield	400	3,000	3,000	2,400	0
Chickamauga	3,600	0	17,000	0	10,000
John T. Myers	0	0	1,000	0	700
<u>Major Rehabilitation</u>					
Emsworth	0	0	0	15,000	15,000
L&D 11	1,100	0	1,500	7,580	7,202
L&D 19	1,700	4,800	4,800	17,502	17,502
L&D 24	12,600	8,800	8,800	4,300	4,300
TOTAL	\$230,900	\$266,200	\$331,500	\$327,326	\$366,036

‘Refinements’ Needed in Budget Prioritizations



Before submitting the FY 2007 budget request, House appropriators told the Corps of Engineers and Office of Management and Budget (OMB) to “refine further” the performance-based priorities used in this year’s budget submission. OMB ranked projects on the basis of remaining benefits (RB) compared to remaining costs (RC). Projects with RB/RC ratios of less than 3:1 were generally not funded, with priority accorded projects with ratios over 6:1.

“The ranking system appears to prejudice those projects that have completed initial segments where the benefits-to-costs are greater than the remaining-benefits-to-costs on their unfinished segments,” the House report said. In addition, it found that the formula “contains an inherent bias” toward protecting property in wealthier areas and also failed to “consider how water resources infrastructure contributes to national economic development or multi-modal transportation...” ♦

House Bill Ignores Savings, Project Termination Fund

As passed by the House, the civil works appropriations measure chose not to use any of the \$80 million in the President’s budget request earmarked as a “construction termination fund.” Instead, the House funded about 20 of the 35 stopped projects, specifying that the new funds be used “only to complete elements currently under construction.” In its report, the Appropriations Committee directed the Corps “to determine the costs to defer or suspend” the remaining projects.

In previous years, Corps appropriations have included line items taking credit for anticipated “savings and slippages” during the coming year. Indeed, this year’s budget request added \$81.4 million for this purpose, but the House committee said it had discontinued the practice of taking such a credit. ♦

Other Highlights of the House Appropriations Bill



- ♦ For operations and maintenance, the House bill tracks almost dollar for dollar with the President’s budget request. Thus, the measure fails to restore funding for numerous low-use harbors and waterways.

- ♦ The bill funds new construction and major rehabilitation projects on shallow-draft waterways totaling more than \$365 million. One-half of this amount or \$182.7 million will come from the Inland Waterways Trust Fund, the highest single-year draw-down to date.

- ♦ The Corps’ Institute for Water Resources was directed to submit a study “delineating ways to improve and expand inland waterway containerization,” noting that increased use of waterborne commerce would contribute to energy conservation. The study would be funded out of the Corps’ general expenses, which lost \$10.5 million in funding “due to budget constraints.” ♦

HOUSE BILL PUSHES CORPS POLICY CHANGES

The House-passed legislation won praise from waterways supporters for its strong funding of on-going projects. But it was not the dollars in the bill which attracted the most attention. It was the committee’s directives mandating sweeping changes in the way the Corps of Engineers reprograms funds from project to project as needed and limiting the use of continuing contracts.

To enforce these provisions, the committee included language in each section of its appropriations measure directing that “the amounts made available under this paragraph shall be expended as authorized in law for the projects and activities specified in the report accompanying this Act.” ♦



Report Recommends Reprogramming ‘Reforms’

The House committee report was particularly critical of Corps “reprogrammings” -- moving funds from one project for various reasons (weather, lawsuits, strikes, etc.) to other projects running short of funds, with a promise to repay the donor at a later date. This process has allowed the Corps to execute as much as 99 percent of its annual appropriations.

However, the House panel believes that “the liberal use of reprogramming actions,” which may number 20,000 annually for the 2,000-project program, “exhibit on-going disregard of the specific program and project

allocations provided by the Congress each year in report language.” Continued the report: “The committee expects the Corps to honor Congressional directives contained in report language with the same reverence as those items contained in bill language.”

RESTRICTIONS. In its bill, the committee would prohibit “the obligation or expenditure through reprogramming” that would “reduce funds that are directed to be used for a specific activity by this Act” or increases or decreases “funds for any program, project or activity by more than \$2 million or 10%, whichever is less.” ♦

House Panel Targets Multi-Year Contracts



In a statement on the House floor, Chmn. Hobson said contracts continuing more than one year were also a problem. “Under this mechanism, the Corps can obligate the Federal government for funding [in] future fiscal years,” he said. “Also, the Corps uses accelerated earnings on continuing contracts to pay its contractors more than is appropriated for a project in the current fiscal year. In part, these accelerated earnings on continuing contracts are one of the drivers for the Corps’ extensive reprogrammings, and also one of the mechanisms the Corps uses in its pursuit of the 99% expenditure goal. This practice has to stop.”

To fix this problem, Congr. Hobson said the committee’s bill included language “limiting the Corps’ ability to obligate the government in excess of appropriations.” One provision (Sec. 105) bars any funds appropriated in the current measure from being used after next Feb. 6 (when the next Federal budget request is released) “to award any continuing contract or to make modifications to any existing continuing contract that obligates the U.S. Government during FY 2007 to make payment under such contract for any project that is proposed [in the next budget request] for deferral or suspension...” ♦

Corps Needs Flexibility, T&I Committee Asserts

In a letter to Subcommittee Chmn. Hobson and Congr. Jerry Lewis (California), chairman of the Appropriations Committee, House Transportation and Infrastructure (T&I) Committee leaders took issue with some of the appropriations panel’s policy revisions. “Civil works projects are dynamic in nature... [and] the Corps needs the flexibility to move funds to meet unanticipated needs,” wrote Congr. John J. Duncan, Jr. (Tennessee), chairman of the Water Resources and Environment Subcommittee, and Congr. Don Young (Alaska), chairman of the full committee.

“Because your bill earmarks virtually all funding, you have not given the Corps the ability to pay back those projects that have lost funding in the past through reprogramming,” the T&I leaders said. “We hope this is not your intent.” They also pointed out that, under one of the provisions restricting continuing contracts (Sec. 105), “Congressional priorities are given less favorable treatment than Administration priorities.” ♦

Senate, House Appropriators Wage ‘Letter Duel’

In April, the House and Senate Appropriations Committees engaged in a bit of one-upmanship. On April 6, the three top-ranking members of the Senate Appropriations Committee -- Chmn. Thad Cochran (Mississippi); Sen. Pete V. Domenici (New Mexico), chairman of the Energy and Water Development Subcommittee; and Sen. Harry M. Reid (Nevada), ranking subcommittee member -- wrote Lt. Gen. Carl A. Strock, Chief of Engineers, that “it would be premature for you to incorporate any new proposals” in carrying out the FY 2005 civil works program.

“We believe that your traditional reliance on continuing contracts and reprogramming actions has allowed the Corps to efficiently and effectively execute the civil works program,” the senators said, “and we fully expect you to continue to run this program utilizing your traditional authorities, policies and procedures...” On April 19, the same senators, joined by Sen. Robert C. Byrd (West Virginia), the committee’s ranking member, addressed a letter to the Secretary of the Army, Francis J. Harvey, complaining that Gen. Strock had not “taken their letter seriously” because he was holding up award of construction contracts.

Two days later, on April 21, the “big four” on the House Appropriations Committee -- Chmn. Jerry Lewis (California); Congr. David R. Obey (Wisconsin), ranking committee

member; Subcommittee Chmn. David L. Hobson, and Congr. Peter J. Visclosky (Indiana), ranking subcommittee member --

addressed a letter to the Secretary of Defense, Donald H. Rumsfeld.

“We are extremely concerned about the fiscal management practices exercised by the Corps,” they said. “We hope to work with you and the Office of Management and Budget to correct these deficiencies and ensure that the

Corps remains healthy and focused during a time of static or declining budgets.” ♦



NEW TRUST FUND? It’s not on the table yet, but Sen. Ted Stevens (Alaska), the chairman of the Senate Commerce, Science and Transportation Committee, may propose a new port-security trust fund to finance needed improvements to make America’s ports more secure. Fees assessed on importers would provide the working assets for the trust fund.

“I am thinking seriously about asking this committee to create a trust fund for port security,” he said. “There is no question the system needs more money.” His remarks came after a new GAO report said security clearance delays were a major barrier to information sharing about vulnerabilities. ♦



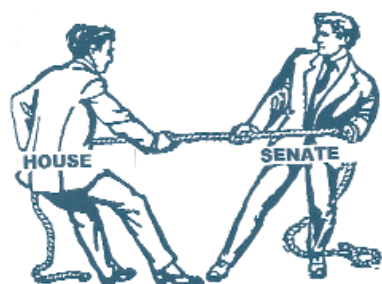
SENATE SET TO MARK UP APPROPRIATIONS BILL

The Senate Appropriations Subcommittee on Energy and Water Development, chaired by Sen. Pete V. Domenici (New Mexico), plans to mark up its FY 2006 funding measure on June 14. Normally, the Senate panel does little more than “edit” the House version, but this year the Senate subcommittee plans to start from scratch. As early as June 16, the measure could come before the full Appropriations Committee, which is expected to clear the

legislation for Senate consideration. What will happen next is not at all clear.

The Administration has already signaled its support for the House version although it expressed concern that some high-priority proposals were not funded. But, in all likelihood, the Senate and House versions will be philosophically very different bills and difficult to conference. ♦

Congress in Fight Over Corps Money Management



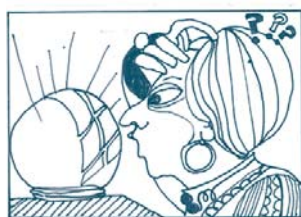
House and Senate appropriators remain at odds over how the Corps of Engineers manages its money, particularly with respect to re-programmings and continuing contracts. *Energy and Environment Daily*, a widely circulated newsletter, headlined a recent article on the Capitol Hill conflict, “Senate, House on Collision Course on Army Funding Control.”

In meetings over the last several months, Congr. David L. Hobson, chairman of the House subcommittee, has let Corps officials know how he wants them to handle reprogramming and contract awards. His policy directions have since been spelled out in his subcom-

mittee’s bill and accompanying report. The Senate Appropriations Committee, in response, maintains that Corps should follow the “guiding principles” which Congress adopted in last year’s Omnibus Appropriations Act.

Unlike recent House-Senate squabbles, the current conflict is not over dollars but policy. Some Washington skeptics are already speculating that the simmering dispute could keep the House and Senate Appropriations Committees from reaching agreement on a conference report, forcing the Congress to enact a “continuing resolution” to keep the Corps of Engineers in business in FY 2006. ♦

Corps’ Five-Year Plan Stresses Project Completion



After repeated prodding from Chmn. Hobson (Ohio), the Corps of Engineers has unveiled a five-year development plan for the civil works program. It was cleared by the Office of Management and Budget (OMB) on May 13 -- one day after the house subcommittee unanimously approved its bill blasting the Corps for not having the five-year plan completed -- and signed three days later by John Paul Woodley, Jr., Assistant Secretary of the Army (Civil Works), and Lt. Gen. Carl. A. Strock, Chief of Engineers.

Civil works funding levels for FY 2006-FY 2010 utilize OMB’s out-year numbers, which trend downward to only \$4.2 billion in the final year. According to the foreword, “projections and assumptions... do not represent budget decisions or budget policy beyond

FY 2006.” Consequently, yearly updates are anticipated. The 36-page document also discusses needs and challenges facing water resources programs, including:

- ♦ Achieving “greater balance between traditional water resources demands and environmental/ecosystem objectives.”
- ♦ Restoring “the vitality of the environment from degradation caused by past development,” and
- ♦ Addressing “the performance and safety implications of an aging water resources infrastructure.”

The plan, however, does not include any funding estimates for unbudgeted projects, dealing only with completion of on-going projects in an era of constrained budgets. ♦

PROJECTED WATERWAYS FUNDING (IN MILLIONS), FY 2006-FY 2010					
	2006	2007	2008	2009	2010
Civil Works	4,332	4,304	4,251	4,250	4,206
Navigation¹	1,794	1,696	1,593	1,488	1,431
Environmental²	579	569	615	623	546

1. Includes general investigations, construction-general, operations and maintenance and Mississippi River and Tributaries project.
 2. Includes aquatic ecosystem restoration and environmental stewardship.



Mr. Woodley

Mr. Woodley Confirmed, But Faces New Challenge

For the first time since Mike Parker was fired in March 2002, an Assistant Secretary of the Army (Civil Works) confirmed by the Senate is on the job. John Paul Woodley, Jr., who served in the post under a recess appointment from August 2003 until December 2004, was finally confirmed by the Senate on May 12. Since his recess appointment expired, he had been serving as the Principal Deputy Assistant Secretary.

Almost immediately after his confirmation, Mr. Woodley found himself on the hot seat. In its May 18 report, the House Appropriations Subcommittee on Energy and Water Development quoted from Army general orders outlining the Assistant Secretary's responsibilities, including "serving as Congressional liaison on civil works matters... and point of contact" for House and Senate appropriations and authorizations.

WARNING. The subcommittee said it was "extremely disappointed" that the Assistant Secretary had not been "more actively engaged in the most significant issues facing the Corps in years, namely reprogrammings, project paybacks and continuing contracts..." Concluded the report: "Should the office of the Assistant Secretary for Civil Works not involve itself in these and other pertinent issues, the Committee will re-evaluate the need for such an office." ♦

Lock & Dam Operations May Be 'Out-Sourced'

It's called "competitive sourcing," a White House initiative aimed at assuring that Federal workers are the lowest cost providers of work that is not "inherently governmental." As a result, through FY 2008, the Corps of Engineers plans to conduct public-private competitions involving at least 5,700 positions, including some 3,400 engaged in operations and maintenance activities at 257 locks at 212 dam sites. "Our goal is competition," said Maj. Gen. Robert H. Griffin, Deputy Chief of Engineers, "not out-sourcing."

Kenn R. Shoemaker of the Rock Island District, leader of the navigation O&M "project delivery team," has already begun meeting with stakeholders, listening to their views on how many locks and functions should be included, groupings of these locks and functions, and the exact number of positions involved. The preliminary planning phase is scheduled to be completed by November, followed by an announcement sometime in FY 2006 of the competition schedule.

After the announcement, the Corps has 18 months to complete the competition and arrive at a performance decision. If a private-sector firm meets the requirements and submits a bid at least 10% under the Federal in-house cost estimate, the positions covered in that particular bid will be privatized -- but this will not occur until after a transition period of up to a year. At any rate, the Corps promises that its "quality standards of service" will not be jeopardized. ♦

WRDA STILL AWAITING HOUSE, SENATE ACTION

Congressional action on the Water Resources Development Act of 2005 (WRDA '05) has temporarily stalled, partly because the highway re-authorization bill has had a higher priority. The House Transportation and Infrastructure Committee now hopes to mark up its WRDA measure in mid-June, moving from the Water Resources and Environment Subcommittee to the full committee and, before the July Fourth recess, to the House floor. In 2003, the House passed a WRDA bill, but the legislation died in the Senate.

On April 13, the Senate Environment and Public Works Committee approved its version of WRDA '05 (S. 728). The bill is currently on the Senate's legislative calendar, waiting for the leadership to schedule floor time. The main sponsors, however, may be tied up with a House-Senate conference on the highway re-authorization bill. The last WRDA, usually enacted every two years, was passed in 2000. ♦

Ruling Clouds Fate of Snake River Dams

The fate of four navigation dams on the Snake River in southeastern Washington State -- as well as 10 other Federal dams upstream in Idaho -- is again up in the air. For the second time in two years, Federal District Judge James A. Redden of Portland (a former Oregon attorney general) rejected the National Marine Fisheries Service's latest plan to

keep the dams in operation by balancing salmon, electricity and navigation needs.

At issue are 12 threatened and endangered salmon and steelhead stocks in the Columbia-Snake River system. The judge ruled that a 2004 NMFS "biological opinion," drafted after he threw out the agency's 2003 opinion, violated the Endangered Species Act and pushed salmon species further toward extinction. "It is apparent that the listed species are in serious decline and not evidencing signs of recovery," Judge Redden wrote in a 58-page opinion.

MYSTERY. In 2001, more than 400,000 spring chinook returned to the river system to spawn -- the highest return since Bonneville Dam was constructed in 1938. But with the chinook run ending this year, less than 70,000 have returned. What happened to all the fish? It's a mystery. Some blame low water levels or predatory sea lions but most believe ocean conditions may be responsible. Runs in coastal rivers as well as in Alaska are also lower. ♦

Fish Slide. Just in time for the final weeks of the juvenile salmon run down the Snake River, a \$20 million removable spillway weir arrives at Ice Harbor Dam. Now installed, it allows young fish to cross over the dam and slide down the spillway on their way to the Pacific Ocean. Formerly, fish had to dive as deep as 70 feet to find the dam by-pass.



MISSOURI RIVER FACES SHORTER BARGE SEASON

During May, mountain runoff and rainfall caused reservoirs on the Missouri River to rise slightly, from 34.5 million acre-feet (maf) in storage to 36.1 maf. If the storage is 36.5 maf or less on July 1, this will trigger a 61-day shorter navigation season, meaning that barges would have to be off the river around Oct. 1. For every additional million acre-feet in storage on July 1, the barge shipping season would be extended past Oct. 1 by roughly one week.

Next year is another story. The Corps of Engineers' master Missouri River water control manual stipulates that navigation on the river be halted if storage in the six reservoirs is 31 maf or less on March 15. To keep water in the reservoirs, the Corps curtailed releases throughout May. Barge traffic from St. Louis to Omaha has continued, allowing

large components to be delivered to a power plant under construction at Council Bluffs, Ia., but barge traffic from Omaha to Sioux City has virtually stopped.

SPRING RISE. The first meeting of a plenary group was held this week in St. Joseph, Mo., in an effort to resolve conflicts over a proposed "spring rise" in river levels below Gavins Point Dam. Some 50 representatives of key interest groups make up the plenary group, which was assembled by a contractor for the U.S. Institute for Environmental Conflict Resolution. Their charge is to involve basin stakeholders in the development of a proposal which complies with a U.S. Fish and Wildlife Service biological opinion while limiting risk to both upstream and downstream river users. Future meetings are planned in Bismarck, N.D., and Omaha. ♦

River Commission Plans Low-Water Inspection

Traveling aboard the M/V Mississippi, the Mississippi River Commission (MRC) will make a week-long, low-water inspection trip this summer on the Ohio River, from Huntington, W.Va., to Paducah, Ky., and continue the next week from Cairo, Ill., to Morgan City, La., on the Lower Mississippi and Atchafalaya. Planned along the way is a



M/V Mississippi.

series of meetings with project partners, sponsors and other interest groups. Waterways Council, Inc., will make a presentation during a stop in Cincinnati.

Maj. Gen. Robert Crear of Vicksburg, Division Engineer of the Mississippi River Division, who is the MRC's president-designee, will preside at the meetings. Also on board will be Lt. Gen. Carl A. Strock, the Chief of Engineers, and John Paul Woodley, Jr., the Assistant Secretary for Civil Works.

The boat trip will start Aug. 14 in Huntington and include stops at locks and dams along the way, winding up in Morgan City on Aug. 26.

NOTE: The U.S. Senate last month confirmed Maj. Gen. Don T. Riley, now Civil Works Director, as President of the Mississippi River Commission. The action came almost three years after his name was first proposed. At the time, he was Division Engineer of the Mississippi Valley Division, whose commander generally chairs the MRC. ♦

Tennessee-Tombigbee Marks 20th Anniversary



At ceremonies from Mobile to Paducah, beginning last weekend and extending through this weekend, the Tennessee-Tombigbee Waterway is celebrating 20 years of progress. It was on June 1, 1985, that Governors, Senators and a host of other dignitaries dedicated the new waterway at several locations, with some 100,000 people in attendance despite sweltering temperatures.

To mark the 20th anniversary, the Mobile and Nashville Districts recognized the waterway's contributions to the regional economy, attracting several major industries and the Nation's first short-sea shipping service on the inland waterways system. Open houses were scheduled at Mobile, Demopolis, Yellow Creek port (today) and Paducah (June 6) as well as at several visitors' centers along the waterway. ♦

DYNAMIC DITCH. A fascinating new book (*Wedding of the Waters*) glorifies the Erie Canal, which connects the Hudson River at Albany with Buffalo on Lake Erie. The canal cut the Albany-Buffalo travel time from 32 days to just five days. "This narrow ribbon of ditch, less than 375 miles long, proved the spark, the flashpoint and the inspiration for a burst of progress in America that would eventually coin the buzzwords of the early 21st Century: economic growth, urbanization, national unity, globalization, networking, and technological innovation," writes Author Peter L. Bernstein. "It is almost impossible to imagine what the country would be like had it not been built." ♦

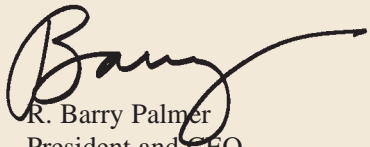
COMMENTARY

Corps' New Five-Year Plan Lacks Blueprint for the Waterways' Future

In its recent report, the House Appropriations Subcommittee on Energy and Water Development discussed why it thought a comprehensive five-year civil works plan would be helpful. "Such plans force discipline and regional integration in making budgetary decisions and encourage stability from year to year," the report said. "The development of a plan will also require the Corps to make the necessary trade-offs to integrate individual projects into a coherent future-years civil works program."

Chmn. Hobson, in all likelihood, envisioned a forward-looking five-year plan addressing current and future water problems in a responsible fiscal context. But what he got was a plan constrained by ground rules laid down by OMB. Only projects in the President's last budget could be included, so there was no mention (for instance) of any expenditures for pending Upper Mississippi/Illinois Waterway improvements or any other new starts, such as the Louisiana coastal restoration.

The plan's emphasis is on completing the projects already under construction, particularly those with high pay-offs in benefits and those that can be finished in the next five years. That's good. But what's missing is any mention of other meritorious, already-authorized projects (like Inner Harbor and Kentucky Lock Addition) which also deserve high funding priority. Regrettably, the Corps of Engineers' new five-year plan needs a more comprehensive blueprint for addressing future waterway infrastructure needs.



R. Barry Palmer
President and CEO



WCI Plans Fall Symposium, Board Meeting in Chicago

Maj. Gen. Don T. Riley, the Corps of Engineers' Civil Works Director, will keynote the Waterways Council's 2005 Symposium and Annual Meeting to be held on Oct. 4-5 at the Four Seasons Hotel in Chicago. The symposium is being arranged in association with Informa Economics, Inc., of Memphis (formerly the Sparks Companies, Inc.) and *The Waterways Journal*.

Speakers who have confirmed include Bruce Scherr, president and CEO of Informa Economics, Inc.; Gerald W. (Gerry) Barnes, the Corps' Director of Programs in the Great Lakes and Ohio River Division; Robert M. Willis, Chief of Operations in the Great Lakes and

Ohio River Division; Kevin B. Sparks of Marathon Ashland Petroleum; Berdon Lawrence of the Kirby Corp.; Daniel P. Mecklenborg of Ingram Barge Co.; Royce Wilken of ARTCO; and W. Norbert (Norb) Whitlock of American Commercial Barge Line.

Other speakers will be John S. Doyle, WCI's vice president-government affairs, and R. Christian Johnsen, managing partner of Jones Walker law firm's Washington office. Theme of the meeting will be "Sustaining Waterways Infrastructure as Demand Increases." Hotel reservation and meeting registration forms will be distributed in a few weeks. ♦

FISHERMAN MAKES RECORD CATCH: A CATFISH WEIGHING 124 POUNDS!

Catfish grow big in the Mississippi River. Ask Tim Pruitt of Alton, Ill., who landed a record-breaking, 124-lb. blue catfish just below Melvin Price L&D. After a 45-minute fight, he caught the huge fish late last month with a 40-lb-test line and a moon-eye fish head for bait. He, his wife and a friend had gone fishing in a roughneck boat about 6:30 p.m. and it was five hours before he hooked the cat. It out-weighed the previous record-holder, caught in Lake Texoma, which tipped the scales at only 121 lb., 8-oz.

At first, Mr. Pruitt considered releasing the fish, later estimated to be 25 to 30 years old, but then decided to donate it to an outfitter in Kansas City, Kan., so it could be put on display in a tank for all to see. But the trip to Kansas was too much for the fish; it died en route. The outfitter mounted the trophy fish for

Mr. Pruitt after making latex reproductions to sell. The 33-year-old fisherman, who helps produce the alloy used to make nickels and dimes at an Olin Brass plant when he's not on the river, is putting together a DVD recording his big catch. ♦



MUSEUM AHEAD! One of the most famous battle cries of the Civil War -- Union Adm. David G. Farragut's command, "Damn the torpedoes! Full steam ahead!" -- signaled the start of the Battle of Mobile Bay in August 1864. That naval encounter (victorious for the Union navy despite Confederate mines, then called "torpedoes") and many other events in the area's rich maritime history will soon be depicted in a new \$24 million National Maritime Museum of the Gulf of Mexico. Located at Mobile Landing, the facility plans a fall 2006 opening. ♦

AGENCY DO-OR-DIE. A little-noticed provision in the recent Congressional Budget Resolution endorses the periodic scrutiny of Federal agencies and programs. The plan, included in the President's FY 2006 budget, calls for a "Results Commission" to review the efficiency of government programs and a "Sunset Commission" to determine whether the programs should continue.

The Budget Resolution supports the twin commissions to review agencies and programs "on an accrual basis and legislation to implement those recommendations... to realign or eliminate government agencies and programs that are wasteful, duplicative, inefficient, outdated, irrelevant, or have failed to accomplish their intended purpose." Legislation to establish the commissions is planned in the coming weeks. ♦

Petroleum Firm Adds Two Line-Haul Towboats

Towboat Ceremony.

At Catlettsburg, Ky., Marathon Ashland Petroleum (MAP) recently christened two new towboats, the 3200-hp M/V Speedway (shown here) and the 4200-hp M/V Marathon. From left are Michael J. Toohey, director of Ashland's Federal government relations; Kevin B. Sparks, MAP's marine transportation manager; H. Merritt Lane, III, president of Canal Barge Co.; and J. A. Baker, MAP's terminal, transport and marine manager.



River Rats. The christening ceremony brought out a number of veteran river folk. They are shown here with O. Nelson Jones, left, of Amherst Industries. Others are, from left, Robert L. Gray, a former Ashland marine service manager; Max English, retired Ashland port captain; Omer Coleman, retired Crouse Corp. manager; and Zane Meek, retired Ashland official.

ON THE HORIZON...

June 19-22, Western Dredging Assn. and Texas A&M

Dredging Seminar, New Orleans... June 22-24, Pacific Northwest Waterways Assn.,

Lewiston, Idaho... June 25-26, Great Rivers

Towboat Festival, Grafton, Ill... July 8-9, TRB's Commodity

Flow Survey

Conference, Boston... July 26-27, Inland Waterways Users Board, Minneapolis...

Aug. 8-10, Gulf Intracoastal Canal Assn.'s 100th annual convention,

Victoria, Tex... Sept. 14-15, National Waterways Conference, Inc., New

Orleans... Sept. 14-16, Greater New Orleans Barge Fleeting Assn., New

Orleans... Oct. 4-5, WCI Fall Symposium and Board Meeting, Chicago... Oct. 18-

20, Tennessee-Tombigbee Waterway Opportunities Conference, Biloxi... ♦



IN THE MAINSTREAM...

Today was the last day on the job for two of the Army Corps of Engineers' top civilian leaders: Thomas F. (Fred) Caver, Deputy Civil Works Director, and Robert F. (Rob) Vining, chief of the Program Integration Division. Fred plans to set up his own consultancy, probably in Austin, Texas, and Rob is joining HNTB Federal Services Corp. in Arlington, Va.

At their desks on Monday will be their successors: Steven L. Stockton, Regional Business Manager for the South Pacific Division in San Francisco, becomes Civil Works Deputy Director. He is a former Chief of Engineering/Construction in Corps headquarters. Gary A. Loew, formerly programs director of the Southwestern Division in Dallas, takes over the Programs Integration Division. He served as planning director of the Corps' oil restoration project in Iraq...

After 26 years as administrator of the five-state Tennessee-Tombigbee Waterway Development Authority, Donald G. Waldon of Columbus, Miss., is retiring at month's end. Hundreds of friends and associates, including elected officials, gathered at the John C. Stennis L&D on Wednesday in a "celebration" of Mr. Waldon's waterways career, which includes service (before he joined Tenn-Tom) in the Corps of Engineers, Office of Management and Budget, and Department of the Interior. Replacing Mr. Waldon will be Bobby ("Doc") Roberson, Ph.D., a former science professor at Beville State Community College at Fayette, Ala...

As its Port Person of the Year, the Paducah Propeller Club picked Capt. W.N. (Buck) Lay, president of B&H Towing, which is celebrating its 20th anniversary... John E. Jamian, who has been serving as Acting Maritime Administrator since the departure of Capt. William G.

Schubert in February, told MarAd employees that he had withdrawn his name as a candidate for the position "to have the flexibility to take care of family concerns back home in Michigan." A former Detroit port director, Mr. Jamian was believed by some to have the inside track for the Administrator's post...

At a ceremony last week in Shanghai, H. Thomas Kornegay, executive director of the Port of Houston Authority, was installed as president of the International Assn. of Ports and Harbors... F. Brooks Royster, III, a former deputy executive director of the Mississippi State Port Authority at Gulfport, was named executive director of the Maryland Port Administration and the Port of Baltimore... The President intends to nominate Mark A. Limbaugh, an Idaho native who is currently Deputy Commissioner of the Bureau of Reclamation, as Assistant Secretary of the Interior for Water and Science. The position has been vacant since Bennett W. Raley resigned last December to return to Denver and his law practice...

IN THE CORPS. On May 17, Col. Peter J. Rowan gave up command of the New Orleans District for a new assignment as District Engineer for the Gulf Region Central Division in Iraq. His deputy, Lt. Col. Stephen E. Jeselink, is now interim commander of the New Orleans District, but he will be succeeded on July 12 by Col. Richard P. Wagenaar...

Col. Lewis F. Setliff, III, will replace Col. C. Kevin Williams on June 30 as District Engineer at St. Louis... On July 22, Col. Gregg R. Martin will succeed Brig. Gen. William T. Grisoli as Division Engineer of the Northwestern Division... Gen. Grisoli will take over the North Atlantic Division on Aug. 1... ♦



Mr. Waldon



FOREIGN TRADE SOARS. Waterborne trade with some 230 countries and territories around the world rose sharply last year to record levels. More than 1.3 billion metric tons of cargo, worth \$958.6 billion, left U.S. ports. Tonnage was up by 7.8% and value by 18.2% over 2003, according to the Census Bureau. Exports increased 6% in volume and 13.3% in value while imports swelled by 8.5% in volume and 19.8% in value.. ♦



‘Extinct’ Bird Threatens Arkansas Water Project

The ivory-billed woodpecker, last seen in a Louisiana swamp in 1944 and widely thought to be extinct, has reappeared in the Big Woods area of the Cache River National Wildlife Refuge in east central Arkansas, roughly half-way between Memphis and Little Rock. It’s a striking bird, with a jackhammer beak and 30-in. wingspan. John J. Audubon, who made a dramatic painting of three ivory bills, called it the “great chieftain of the woodpecker tribe.”

Recent sightings of the woodpecker have led to calls for the Corps of Engineers to stop

the \$319 million Grand Prairie Irrigation Project, which would pump about 1,640 cfs of water (or about 100 billion gallons a year) from the nearby White River to supply rice farmers in the area. The Arkansas Wildlife Federation has challenged the Corps to formally determine if the water withdrawal will affect the woodpeckers, which live in bottomland hardwood trees growing in the bayous and backwaters in the same general area. ♦

Who Should Regulate Offshore Wind Turbines?

Should the Corps of Engineers be in charge of permitting the construction of offshore “wind farms,” clusters of giant turbines to generate pollution-free electricity? Opponents claim the swirling blades are unsightly and sometimes kill migrating birds. The Corps’ involvement, based on Section 10 of the Rivers and Harbors Act of 1899, hinges on whether the structures interfere with navigation.

But John Paul Woodley, Jr., the Assistant Secretary of the Army (Civil Works), recently testified that he was “personally very uncomfortable with the authority that we are being asked to use” in granting permits for offshore wind farms. In fact, he doesn’t think the Corps is the appropriate Federal agency to be granting permits for the wind power plants except “with respect to navigation channels.”

Sen. John W. Warner (Virginia), who said he supports wind power as a valuable renewable resource, told Mr. Woodley that he believed Congress should enact “a framework of legislation to support the exploration of wind power...” He has since proposed legislation eliminating Federal tax subsidies for offshore wind power developments and setting up a permitting process “comparable to oil and gas,” implying that such farms would be subject to a royalty system. ♦



Offshore Wind Farm.

FISH FLEE NORTH. The journal *Science* reports that rising sea temperatures are driving cod, whiting, haddock and about 90 other bottom-living species out of the North Sea. As these fish move northward (at about 1.4 miles per year) seeking cooler temperatures, warmer-water fish like bib, scaldfish and the lesser weaver are moving into the North Sea. ♦

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