

Capitol Currents



Congr. David L. Hobson (Ohio) to receive WCI's Leadership Service Award. Page 3.

Corps Issues Guidance on Congressional Directives Limiting Reprogrammings, Continuing Contracts

THE ARMY CORPS OF ENGINEERS IS TAKING STEPS to carry out policy changes in the FY 2006 appropriations act, which the agency described as “new legal limitations that severely constrain” many of its existing processes and procedures. In a just-issued engineering circular, Maj. Gen. Don T. Riley, Director of Civil Works, said the goal of FY 2006 program execution would be to “accurately schedule work” based on appropriations and carry-over funds and “then to execute the schedule.”

The new fiscal management policies outlined in the circular “move away from past policies” that focused on using reprogramming as a principal mechanism to minimize the carry-over of available funds from one fiscal year into the next. However, the document said “a higher level of carry-over funds is anticipated in FY 2006 until all execution and budget processes are aligned with the Corps’ new financial management and acquisition strategies.”

Gen. Riley’s circular explains, in detail, the restrictions on reprogramming funds from one project to another, which must be “excess to FY 2006 needs” and not create a commitment for a future payback. “Continuing contracts,” long employed to reduce construction costs and minimize carry-overs but which congressional critics faulted for improperly intrud[ing] upon Congressional prerogatives,” will be “drastically” limited. Instead, the FY 2006 Energy and Water Development Appropriations Act requires the Corps to “change its historical approach and

consider acquisition alternatives such as full funding and incremental funding to implement the program.”

The Corps’ circular includes a draft “notification letter” for Asst. Army Secy. John P. Woodley, Jr., to use in advising House and Senate Appropriations Committees when the Corps plans to reprogram funds. Also included is the outline of a “business case” for continuing contracts. “Efficiencies and cost savings are not sufficient to support use of a continuing contract,” the guidance states.

“Use of continuing contract[s] must be based on the fact that the work cannot be accomplished through another contracting vehicle and is in the best interest of the government.”

NOTE: While on an official trip to Korea and China last November, the President signed the FY 2006 Energy and Water Development Appropriations Act, which became Public Law 109-103. In a statement, the President said the Executive Branch would construe Sections 101 and 303 as “calling for, but not mandating, consultation with the Constitution’s provisions...” Both sections deal with the reprogramming of funds. ♦



Gen. Riley



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When Will Senate Take Up WRDA?



This is still the \$64 question as the second session prepares to convene. The Water Resources Development Act of 2005 (H.R. 2864) passed the House on July 14, and a Senate version (S. 728) has been on its calendar since last April 26. Several Senators have “holds” on the legislation, which may have led leaders to delay the measure until a time limit on debate can be worked out.

Sens. Russell L. Feingold (Wisconsin) and John McCain (Arizona) have indicated they plan to offer an amendment along the lines of their bill, S. 753. Among other things, it would mandate new planning guidelines developed in collaboration with the National Academy of Sciences and include interest/discount rates supplied by OMB. Also, the Army Inspector General would appoint an independent review director who would set up panels of experts to review proposed water projects. ♦

Second Session Set to Crank Up Soon

The U.S. Senate will convene next Wednesday, January 18, for the second session of the 109th Congress, and the House will return on January 31, just before the President’s annual State of the Union Address that evening. The President’s FY 2007 budget request is due to be submitted on February 6, launching another annual Congressional appropriations cycle.



In the final days of the first session just before Christmas, Congress voted to offset the cost of a hurricane recovery package by means of a one percent across-the-board cut for all discretionary spending except for Department of Veterans Affairs programs. The Corps of Engineers’ share comes to \$53.8 million. ♦

Congress Votes \$29 Billion for Hurricane Recovery



In the final hours of its first session, Congress approved \$29 billion for hurricane recovery. The Corps received \$2.9 billion in six different accounts: \$37.3 million for general investigations, \$101.4 million to rehabilitate and repair its construction-general projects, \$327.5 million to dredge navigation channels and for other O&M needs, \$2.3 billion for emergency response and recovery efforts related to Gulf and Atlantic hurricanes of which \$468 million was to reimburse projects from which funds had been transferred to meet emergencies, \$153.8 million for MR&T levee and other repairs and mat laying, and \$1.6 million in the general expense

account for “increased efforts” to oversee emergency response and recovery activities.

Congress stipulated that none of the \$12 million in the investigations account for the Louisiana Hurricane Protection Study could be spent “until the State of Louisiana establishes a single state or quasi-state entity to act as the local sponsor,” a slap at the much-criticized system of multiple parish levee boards.

Before Congress acted on the recovery package, the conservative Heritage Foundation suggested that the Corps “redeploy” 8 to 10 percent of its budget over the next 10 years to pay for rebuilding and strengthening New Orleans’ levees. ♦

WAVE POWER. Portugal plans to harvest the power of ocean waves. Later this year, the world’s first commercial wave power plant is to open off its northern coast, supplying as much as 20% of annual electricity needs. ♦

WATERWAYS COUNCIL SCHEDULES SPRING MEETINGS

Waterways Council, Inc. (WCI) plans several meetings in Washington, D.C., on February 27 and 28 and March 1. Included will be a spring seminar, Board of Directors' meeting, dinner for Board members and guests, Leadership Service Award Dinner, and Capitol Hill visits. The National Waterways Foundation will also meet during this period.



Mr. Stockton

The two-day seminar, on February 27-28, will focus on "Achieving Better Levels of Performance: Increasing the Reliability of America's Inland Navigation System." Participants will include Steven L. Stockton, the Corps of Engineers' Deputy Civil Works Director; Gary A. Loew, chief of the civil works program integration division; Gerald W. (Jerry) Barnes, chief of the operations division, and several Division operations chiefs.

To register for the seminar, reserve space for the Leadership Awards dinner and/or obtain accommodations at the Willard InterContinental Hotel, the spring meeting headquarters, please visit our website: www.waterwayscouncil.org. ♦

Leadership Service Award to Congr. David Hobson

WCI Chmn. Mark K. Knoy of Chesterfield, Mo., president of American Electric Power's river operations, said the organization has selected Congr. David L. Hobson (Ohio) to receive WCI's 2006 Leadership Service Award.

He is chairman of the House Appropriations Subcommittee on Energy and Water Development. The award will be presented on March 1 at a banquet in the Willard InterContinental Hotel's ballroom. Some 200 waterways leaders and Federal agency officials are expected to attend. ♦

Louisiana Leaders See How the Dutch Control Floods

Most of the rivers and waterways along the Gulf Coast are back to pre-hurricane depths and dimensions, but the area's overall recovery is moving slowly. So far, the Corps of Engineers has installed 80,000 blue roofs and removed 15.7 million cubic yards of storm debris, with about 28.2 million cubic yards to go. Meanwhile, the Corps is rushing to repair New Orleans' levee protection system before the next hurricane season.



The Netherlands' Delta Works holds back North Sea surges.

To study how the low-lying Netherlands handles its flood threat, Louisiana Gov. Kathleen B. Blanco, Sens. David Vitter and Mary Landrieu and some 40 other Louisiana civic, business and education leaders made a whirlwind visit there this week. They were briefed at The Hague and visited the country's extensive Delta Works project.

In 1953, a North Sea storm surged over the Netherlands' southwest coast, overtopping dikes and leaving 1,835 dead. The Dutch responded by building massive flood protection works and channeling \$1.5 billion a year into its flood-fighting effort. ♦

MISS. VALLEY FLOOD CONTROL ASSN. CONVENES IN ST. LOUIS



Talking up Infrastructure Investment. When New Orleans flooded, the Mississippi Valley Flood Control Association moved its annual meeting to St. Louis. In Photo No. 1, Stephen Gambrell of Vicksburg, left, executive assistant at the Corps' Mississippi Valley Division, and NOAA Rear Adm. Samuel F. De Bow, Jr., a member of the Mississippi River Commission. Photo No. 2: Cong. Kenny C. Hulshof and Cong. Russ Carnahan (both Missouri) with Cong. Marion Berry (Arkansas), who spoke at the meeting.

Photo No. 3: Cong. Mike Ross (Arkansas), Cong. Jo Ann Emerson (Missouri), at left, and Cong. John Tanner (Tennessee), right, with George C. Gruett, the flood control association's executive director for the last 25 years. Photo No. 4: Steven L. Stockton, Deputy Civil Works Director, with Mr. Gruett and Lt. Gen. Carl A. Strock, Chief of Engineers. Photo No. 5: Maj. Gen. Don T. Riley, Director of Civil Works, with John P. Woodley, Jr., Assistant Secretary of the Army (Civil Works) and Brig. Gen. Robert Crear, Division Engineer of the Mississippi Valley Division.



Recapitalize Infrastructure, Sen. Talent Recommends



Sen. Talent

“I would think after this year it would not be necessary to argue quite as vociferously to the people in Washington about the importance of flood control,” said Sen. Jim Talent (Missouri), one of 10 lawmakers addressing the Mississippi Valley Flood Control Assn. in St. Louis last month. But he found it frustrating, he said, that “people who understand the importance of [our river system] in other contexts do not transfer that to an understanding of the importance in investment in levees and locks and dams.”

Nevertheless, Sen. Talent said he sensed “a sort of uprising by what I call the brick-and-mortar wings of both parties who under-

stand now is the time to recapitalize the nation’s infrastructure... You don’t save money when you don’t invest in the necessary flood control and in upgrading the locks and dams. You may save a little money in the short term but you end up paying that back many times over when disasters occur, as they will, if you don’t fund the system adequately.” ♦

We Need to Prepare for Earthquakes, Too

Cong. Kenny C. Hulshof (Missouri), co-chair of the Mississippi River Caucus, exhorted waterways proponents to “stand together” in supporting needed projects. “We have to be shoulder to shoulder whether we talk about flood protection or navigation,” he said. “We can’t allow divide-and-conquer” tactics, which he said opponents tried to use last year to block Upper Mississippi improvements.

“I don’t think there is a force on earth more powerful than people working together,” Congr. Marion Berry (Arkansas) said. “We are more powerful than hurricanes, than tornadoes, than floods...” And don’t forget earthquakes, Congr. Jo Ann Emerson (Missouri) warned. “All up and down the Mississippi Valley, we sit on the New Madrid Fault. We don’t know when [another] seismic event may occur, but since we saw that we were not prepared for Katrina, we [must] get prepared for an earthquake that is projected to come some time before 2050...” ♦

NEW VIDEO. The Army Corps of Engineers is putting the finishing touches on a 15-minute video describing the inland navigation system’s public-value aspects. “America’s Inland Waterway System: The Invisible Transportation Network” will soon be available on DVDs. ♦

SEN. LANDRIEU WANTS DEDICATED REVENUE

Congr. John Tanner (Tennessee) said America was “losing the ability to make investments in our country in both infrastructure and human capital needs.” Congr. Mike Ross (Arkansas) said he believed “it is time to invest in our nation’s infrastructure again — levees, flood control, maintaining navigation, modernizing recreation sites, roads, highways and bridges.” Added Congr. Russ Carnahan (Missouri): “To be innovative, to be competitive, we have to stay in front of the curve in terms of our infrastructure...”

Sen. Mary Landrieu (Louisiana), the association’s outgoing president, who spoke by video, called for “a dedicated stream of revenue” from a portion of offshore oil and gas revenues “to build Category 5 levee protection and coastal restoration system” for New Orleans and the Gulf coast. “We cannot build the system one Congressional earmark at a time.”

OUTREACH. “Our challenge,” Congr. John Simkus (Illinois) said, is to convince other lawmakers of “the great benefits of the inland waterways system... to help us move” both authorization and appropriations bills. Congr. Leonard L. Boswell (Iowa), recovering from abdominal surgery, sent a staffer to read his message: “I believe establishment of priorities will allow better flood control on the Lower Mississippi and... navigation improvements on the Upper Mississippi.” ♦

CORPS PLANS TO BUILD MISSOURI RIVER SANDBARS

Under terms of a “biological opinion” issued by the U.S. Fish and Wildlife Service, the Army Corps of Engineers plans to spend some \$83 million to construct or “mechanically maintain” about 10,000 acres of emergent sandbars on the Upper Missouri River from Gavins Point Dam near the South Dakota-Iowa border to Fort Peck Dam in Montana. The purpose, according to the Corps, is to create sandbar nesting habitat to ensure that the operation of the Missouri River “will not result in jeopardy” to the endangered piping plover and least tern.

For every mile along this 960-mile stretch of the river, the Corps wants to provide 10 to 40 acres of nesting habitat by dredging, removing vegetation, reshaping existing sandbars and/or islands, or pushing sand from one area of some sandbars to another. Planners are now working on a “programmatic environmental impact statement” for release soon. The Missouri River “recovery program” to increase aquatic habitats and riverine diversity is included in the Corps’ five-year development plan.

ALTERNATIVE? The man-made sandbars are not without their critics. Legislation now pending in Congress to revise the Endangered Species Act, if enacted, could stop the Corps from implementing the program. And North Dakota county leaders called it a “ridiculous money-spending plan” since all the sandbars could be lost if the Missouri River should rise. Instead, the officials said the prairie pothole region should be targeted for recovery areas and not the river or reservoirs. ♦



Least tern nesting on a Missouri River sandbar.

If Missouri Drought Eases, Will Spring Rises Follow? Separate Great Lakes and River Watersheds?

Water stored in Missouri River reservoirs fell slightly in December to 36 million acre feet (maf) but was still 0.8 maf more than at the end of 2004. It’s still too early to tell, Corps officials said, if this indicates an end to the region’s lingering drought, which shortened the 2005 navigation season by 48 days. More good news is that the mountain snowpack is above normal for this time of the year.

In its pending operating plan for 2006, the Corps of Engineers has proposed reservoir releases in March and May (if water levels permit) to encourage pallid sturgeon spawning. But down-river states have lambasted the plan. In a letter to Brig. Gen. Gregg F. Martin of Portland, Division Engineer of the Northwestern Division (who was frocked last week), Missouri Atty. Gen. Jeremiah W. (Jay) Nixon said the proposed operating plan takes water from his state “when we need it and gives it to us when don’t.” ♦

With \$125,000 in grants, the Chicago-based Alliance for the Great Lakes is studying the feasibility of separating the Great Lakes and Mississippi River watersheds. In 1900, the 28-mile Chicago Sanitary and Ship Canal reversed the flow of the Chicago River to keep the city’s sewage out of Lake Michigan, the source of its drinking water. In 1922, another project, the Cal-Sag Channel, sent the Calumet River flowing toward the Mississippi.

In addition to moving effluent, both waterways provide barge links between Chicago and the midcontinent river system. But the connection also provided ways for invasive species like zebra mussels to travel from the Great Lakes to the inland waterways and huge Asian carp to migrate northward. Meanwhile, the Corps of Engineers is continuing work on an electrified fish barrier to keep the carp out of the Lakes. ♦



Gen. Martin



Bridge Relocations at Kentucky Lock. Before the Corps of Engineers can start construction of the downstream portion of the new Kentucky Lock Addition, two bridges over the Tennessee River have to be relocated and four large transmission towers carrying power from the dam's hydropower plant have to be moved. The bridges, each about 3,000 feet long, are for U.S. Highway 92 and the Paducah & Louisville Railway. This \$185 million relocation is scheduled to be completed by 2010, about the time the upstream portion of the new lock should be finished and work begins on the downstream section.

Will Sturgeon Habitat Impede Navigation?

If it still exists in the lower Alabama river system, the Alabama sturgeon is elusive. Since the fish was listed in June 2000 as an endangered species, only five have been caught in an effort to start a captive breeding program. But all five died in a fish hatchery. Professional fishermen have spent more than 4,000 hours trying to catch more fish, without

any luck, on the lower Tombigbee and Alabama Rivers, both navigable waterways.

In a recent ruling, Federal District Judge Virginia E. Hopkins ordered the U.S. Fish and Wildlife Service (F&WS) to establish "critical habitat" within one year. When the endangered species designation was

first proposed in the 1990s, waterways proponents complained that habitat protection could jeopardize navigation by impeding maintenance dredging and reservoir operations. But the F&WS never designated habitat, leading the Alabama-Tombigbee Rivers Coalition to petition the court in September to require the agency to begin the listing process all over.

A VALID SPECIES? "The court is not persuaded that the coalition's proposed remedy is appropriate," Judge Hopkins ruled. The coalition contends that the Alabama sturgeon is not a "distinct species" since it is genetically identical to the Mississippi shovelnose sturgeon. But F&WS maintains that the Alabama sturgeon is "currently recognized as a valid taxonomic species" and will continue to be so recognized "unless overturned at some future date by the scientific community through the formal publication and peer review process." ♦



Alabama sturgeon.

Senior Officials Take Retirement



Mr. Edwards



Mr. Angell



Dr. Engler

Several long-serving Federal civil servants have retired in recent weeks. They include Norman T. (Norm) Edwards, who worked 32 years for the Army Corps of Engineers, mostly in the Washington headquarters. Among other duties, he was executive secretary of the Inland Waterways Users Board. That assignment has now been taken over by Mark R. Pointon, who is the Corps' deputy navigation program manager...

Gordon R. Angell left USDA to join the Maritime Administration's Office of Domestic Shipping just weeks after it was established in 1972. Over the years, he became a senior transportation industry analyst and resident expert on inland waterways issues. In 2002, he was transferred to MarAd's Office of Intermodal Development, which promotes programs like container-on-barge and short-sea shipping...

When the Brussels-based International Navigation Assn. (PIANC) organized its Environmental Commission in 1992, Dr. Robert M. Engler of Vicksburg was named as its chairman, a position he still holds. Until he retired, he was senior research scientist in the environmental laboratory at the Engineer Research and Development Center (formerly WES), which he joined in 1973. Earlier, he was a professional rodeo rider. He's just joined Moffatt Nichol Engineers, Inc., where his title is senior scientist.

OTHER RETIREMENTS: Dr. M. Ted Nelson of Knoxville, TVA's navigation program manager, after 30 years with the agency... A. Forester Einarsen, team leader in the Corps of Engineers' environmental policy review group, after 35 years with the agency... Albert L. Wise of Columbus, Miss., the Corps' Tennessee-Tombigbee Waterway operations manager...

And in March: Carol A. Sanders, the Corps of Engineers' Public Affairs Officer, the first civilian to hold this position, who began her Corps career in 1966 as a GS-3 secretary in the Savannah District. After retiring, she plans to move back to Savannah. ♦



In Memoriam...

In recent weeks, several well-known people who impacted the waterways industry have died. Among them: Vice Adm. Paul E. Trimble, USCG-Ret., 92, vice commandant of the Coast Guard and president of the Lake Carriers' Association (1970-82)... Sen. William Proxmire (Wisconsin), 90, whose Golden Fleece Awards often spotlighted water projects... Capt. J. Scott Chotin, Sr., 89, known for his many significant innovations while operating Chotin Transportation, Inc., and later Scott Chotin, Inc...

John A. Welch, 88, who began his river career in 1938 with the Government-owned Federal Barge Lines and later became vice president of Gulf Canal Lines... J. Edwin Kyle, Jr., 87, of Morgan City, a pioneer in the offshore oil service field and one of the founders of Tidewater Marine, Inc., who frequently hosted Corps of Engineers and Coast Guard receptions and dinners... Col. Charles D. Maynard, USA-Ret., 86, former District Engineer at Little Rock and chairman of the Arkansas Waterways Commission...

John F. (Jack) Lynch, 79, president of Federal Barge Lines (1980-85), where he had hired on in the 1950s as a dispatcher...

Anthony G. (Tony) Tobin, 77, vice president of Trinity Marine Products, Inc., who had earlier served as president of St. Louis Ship Division of Pott Industries, Inc....

Joseph A. Farrell, III, 76, AA to Sen. Charles H. Percy of Illinois (1969-77) and president of the American Waterways Operators (1983-93), which said he "substantially reformed and improved AWO in every facet of its structure and work."... Capt. Paul W. Smith, USNR-Ret., 75, who served eight years as port director of the Port of Pascagoula on three occasions between 1985 and 2001... To their families and many friends, we extend our condolences. ♦

IN THE MAINSTREAM...



Dr. Knatz

The next executive director of the Port of Los Angeles, the nation's largest container port, will be Dr. Geraldine R. Knatz, who has been managing director of the neighboring Port of Long Beach since 1999. She holds a BA in zoology, MS in environmental engineering and a PhD in biological sciences... J. Scott Robinson, port director of the Port of Muskogee, Okla., is the National Waterways Conference's new chairman... Paul H. Bea, Jr., the Port of New York and New Jersey's Washington representative for the last 26 years, lost his job last month when the Washington office was closed...

On an hour-long "extreme engineering" program, the Discovery Channel recently spotlighted the construction of the new \$2.4 billion Wilson Bridge carrying Washington's Beltway over the Potomac River, a joint venture managed by Maj. Gen. Russell L. Fuhrman, USA-Ret., who was Civil Works Director in 1996-99... Congr. Leonard L. Boswell (Iowa) was elected as president of the Mississippi Valley Flood Control Assn.

Mark D. Sickles, who works in corporate and government relations for Weeks Marine, Inc., was re-elected to Virginia's House of Delegates, winning 64 percent of the votes cast... Col. Leonard D. Waterworth, USA-Ret., formerly District Engineer at Galveston (2001-04), announced last fall he was running for Congress but, only recently, withdrew his name...

Sue Ellen Wooldridge, formerly solicitor of the Department of the Interior, now heads the Justice Department's environment and natural resources division... Harold C. (Craig) Manson, Assistant Secretary of the Interior for Fish, Wildlife and Parks, has resigned to take a teaching post at the University of the Pacific in Sacramento... Douglas J. Holtz-Eakin, a former White House economist who has headed the Congressional Budget Office for the last three years, has left to join the Council on Foreign Relations...

John T. Anderson was named staff director of the House Water Resources and Environment Subcommittee; a long-time professional staff member, he succeeds Susan P. Bodine, who was finally confirmed last month to become an EPA

assistant administrator... William T. Hawks, USDA's Under Secretary for Marketing and Regulatory Programs since 2001, has joined a D.C. law firm, McLeod Watkinson & Miller, as a senior policy advisor. His deputy, Dr. Charles (Chuck) Lambert, a former chief economist for the National Cattlemen's Beef Assn., became the Acting Under Secretary... ♦



Mr. Anderson

ON THE HORIZON...

All events in Washington, D.C., unless otherwise noted: Jan. 22-25, Transportation Research Board... Feb. 10, Coosa-Alabama River Improvement Assn., Rome, Ga.... Feb. 17, Upper Mississippi, Illinois and Missouri Rivers Assn., Peoria... Feb. 22, Inland Waterways Users Board, Alexandria, Va....

Feb. 22-24, Red River Valley Assn., Shreveport... Feb. 27-March 1, Waterways Council's Board of Directors' meeting, seminar and Leadership Awards Dinner, Willard InterContinental Hotel... March 1-3, American Shore and Beach Preservation Assn.'s Coastal Summit... March 8-9, National Waterways Conference's Budget Summit... March 14-15, Inland Waterways Conference (Corps of Engineers/Coast Guard/industry), Memphis... March 20-21, AAPA Spring Conference... ♦



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